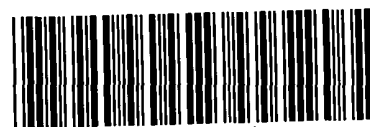


COMPANY REGISTRATION NUMBER: 05773924

ON MEDICAL LIMITED
Financial Statements
31st March 2017

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ON MEDICAL LIMITED

Financial Statements

Year ended 31st March 2017

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ON MEDICAL LIMITED

Officers and Professional Advisers

The board of directors	J.J. Winn I.S. Richardson
Company secretary	J.J. Winn
Registered office	Saxon House 50-52 Heaton Road Byker Newcastle upon Tyne NE6 1SL
Auditor	Tait Walker LLP Chartered accountant & statutory auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Bankers	Barclays Bank Plc Barclays House 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX The Royal Bank of Scotland plc Newcastle Commercial Centre 2nd Floor 31 Grey Street Newcastle upon Tyne NE1 6ES

ON MEDICAL LIMITED

Strategic Report

Year ended 31st March 2017

Overview of the business

On Medical Limited reported strong growth in turnover during the year, as it established itself as a high volume national provider within the medico legal reporting market. The Directors are hopeful that this growth will continue as On Medical expands its reach within this market in the coming financial year.

The Directors believe that the organisational changes, and higher overhead base, brought in during this financial year were necessary and leave On Medical well placed to deal with anticipated further growth in the coming financial period.

Key performance indicators

Management use a range of performance measures to monitor and manage the business. The financial performance measures are set out below:

- Operating profit decreased from £1.86m to £1.66m.
- Shareholders' funds increased from £13.96m to £15.32m.
- Cash decreased from £0.24m to £0.13m.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are as follows;

- Competitor pressure - the market and geographical locations within which the company operates are without doubt very competitive. The company faces pressure both from large national firms and networks and also local specialist firms. The company manages this risk by continually seeking to enhance the service it offers, by providing quality products and services and by maintaining strong broker relationships.
- Loss of key personnel - this would present significant operational difficulties for the company. The company seeks to ensure that key personnel are appropriately remunerated to ensure that good performance is rewarded and staff are retained.
- Legislative changes - this would present significant operational difficulties for the company. The company's management are aware of legislative changes and adopt appropriate strategic plans to ensure that the company remains compliant and operates within any new legislative environment.

This report was approved by the board of directors on 21/8/17 and signed on behalf of the board by:



J.J. Winn
Director

ON MEDICAL LIMITED

Directors' Report

Year ended 31st March 2017

The directors present their report and the financial statements of the company for the year ended 31st March 2017.

Principal activities

The principal activity of the company during the year was the provision of services primarily to victims of road traffic accidents. The principal activity of the company during the year was the provision of services primarily to victims of road traffic accidents.

Directors

The directors who served the company during the year were as follows:

J.J. Winn	
G. Bashey	(Resigned 16th June 2017)
I.S. Richardson	

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Future developments

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report and form part of this report by cross-reference.

Financial instruments

The company has an established, structured approach to risk management. The company's activities expose it to a variety of financial risks, including the effects of credit, liquidity and cash flow, and interest rate risks. The company has adopted risk management policies that seek to mitigate these risks in a cost effective manner. Financial assets that expose the company to financial risk consist primarily of trade debtors and cash. Financial liabilities that expose the company to financial risk consist principally of trade creditors.

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. The company performs credit evaluations of its customers' financial conditions when their credit status is in question.

Liquidity risk is the risk that the company does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the company ensures there is an adequate liquidity buffer to cover contingencies. The company maintains sufficient cash and open committed credit lines from its bankers to meet its funding requirements.

Interest rate risk in respect of unfavourable movements in interest rates is not perceived as being material to the accounts due to the borrowing agreements in place.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

ON MEDICAL LIMITED

Directors' Report *(continued)*

Year ended 31st March 2017

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 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 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.

Statement as to disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

This report was approved by the board of directors on 21/8/17 and signed on behalf of the board by:



J.J. Winn
Director

ON MEDICAL LIMITED

Independent Auditor's Report to the Members of On Medical Limited

Year ended 31st March 2017

We have audited the financial statements of On Medical Limited for the year ended 31st March 2017 which comprise the income statement, statement of financial position, statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor's 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 auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 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.

ON MEDICAL LIMITED

Independent Auditor's Report to the Members of On Medical Limited

Year ended 31st March 2017

Opinion on other matter 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or the directors' report.

We have nothing to report in respect of the following matters where 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.



Mark Brunton BSc FCA (Senior Statutory Auditor)

For and on behalf of
Tait Walker LLP
Chartered accountant & statutory auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

3.8.2017

ON MEDICAL LIMITED

Income Statement

Year ended 31st March 2017

	Note	2017 £	2016 £
Turnover	4	9,118,640	7,547,138
Cost of sales		(5,162,331)	(4,146,251)
Gross profit		3,956,309	3,400,887
Administrative expenses		(2,343,874)	(1,595,865)
Other operating income		49,440	55,078
Operating profit	5	1,661,875	1,860,100
Other interest receivable and similar income		-	1,588
Interest payable and similar expenses	8	(977)	-
Profit before taxation		1,660,898	1,861,688
Tax on profit	9	(340,577)	(375,845)
Profit for the financial year		<u>1,320,321</u>	<u>1,485,843</u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 10 to 18 form part of these financial statements.

ON MEDICAL LIMITED

Statement of Financial Position

31st March 2017

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11		460,996		492,419
Current assets					
Debtors	12	16,210,537		14,374,224	
Cash at bank and in hand		<u>127,182</u>		<u>238,190</u>	
		16,337,719		14,612,414	
Creditors: amounts falling due within one year	13	<u>(1,450,405)</u>		<u>(1,069,494)</u>	
Net current assets			14,887,314		13,542,920
Total assets less current liabilities			15,348,310		14,035,339
Provisions					
Taxation including deferred tax	14		<u>(31,903)</u>		<u>(39,253)</u>
Net assets			<u>15,316,407</u>		<u>13,996,086</u>
Capital and reserves					
Called up share capital	17		20		20
Profit and loss account	18		15,316,387		13,996,066
Members funds			<u>15,316,407</u>		<u>13,996,086</u>

These financial statements were approved by the board of directors and authorised for issue on 21st March 2017, and are signed on behalf of the board by:



J.J. Winn
Director

Company registration number: 05773924

The notes on pages 10 to 18 form part of these financial statements.

ON MEDICAL LIMITED

Statement of Changes in Equity

Year ended 31st March 2017

		Called up share capital £	Profit and loss account £	Total £
At 1st April 2015		20	12,901,246	12,901,266
Profit for the year		—	1,485,843	1,485,843
Total comprehensive income for the year		—	1,485,843	1,485,843
Dividends paid and payable	10	—	(391,023)	(391,023)
Total investments by and distributions to owners		—	(391,023)	(391,023)
At 31st March 2016		20	13,996,066	13,996,086
Profit for the year		—	1,320,321	1,320,321
Total comprehensive income for the year		—	1,320,321	1,320,321
At 31st March 2017		20	15,316,387	15,316,407

The notes on pages 10 to 18 form part of these financial statements.

ON MEDICAL LIMITED

Notes to the Financial Statements

Year ended 31st March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Saxon House, 50-52 Heaton Road, Byker, Newcastle upon Tyne, NE6 1SL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Winn Holding Limited which can be obtained from the registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) No disclosure has been given for the aggregate remuneration of key management personnel.
- (c) Disclosures in respect of financial instruments have not been presented.

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are considered to be no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies which affect the amounts recognised in the financial statements.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Useful economic lives of tangible assets

The annual depreciation charge is sensitive to changes in the estimated useful lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, future investments and economic utilisation. See note 11 for the carrying amount of the carrying amount of tangible assets.

Bad debt Provision

The company makes an estimate of the recoverable value of the trade and other debtors. When assessing impairment of trade and other debtor, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. The company has made a bad debt provision of £2,157,953 (2016 - £2,052,103).

Revenue recognition

Turnover represents the value of services provided during the year net of discounts and Value Added Tax. For services provided, turnover is recognised to the extent that and when there is a right to consideration.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

3. Accounting policies *(continued)*

Taxation *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	- 5% straight line
Plant and machinery	- 33% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 33% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2017	2016
	£	£
Rendering of services	<u>9,118,640</u>	<u>7,547,138</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

5. Operating profit

Operating profit or loss is stated after charging:

	2017	2016
	£	£
Depreciation of tangible assets	73,344	40,196
Loss on disposal of tangible assets	136	—
Operating lease costs	<u>103,492</u>	<u>103,400</u>

6. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>10,360</u>	<u>7,500</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017	2016
	No.	No.
Administrative staff	39	26
Management staff	5	5
Number of physiotherapist staff	14	12
	<u>58</u>	<u>43</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	1,122,589	834,434
Social security costs	68,846	61,522
Other pension costs	24,742	14,912
	<u>1,216,177</u>	<u>910,868</u>

8. Interest payable and similar expenses

	2017	2016
	£	£
Other interest payable and similar charges	<u>977</u>	<u>—</u>

9. Tax on profit

Major components of tax expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	347,927	382,987

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

9. Tax on profit *(continued)*

	2017 £	2016 £
Deferred tax:		
Origination and reversal of timing differences	<u>(7,350)</u>	<u>(7,142)</u>
Tax on profit	<u>340,577</u>	<u>375,845</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	<u>1,660,898</u>	<u>1,861,688</u>
Profit on ordinary activities by rate of tax	332,180	372,338
Effect of expenses not deductible for tax purposes	3,600	4,219
Effect of capital allowances and depreciation	6,065	(712)
Tax chargeable at different rate	<u>(1,268)</u>	<u>-</u>
Tax on profit	<u>340,577</u>	<u>375,845</u>

10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Dividends on equity shares	<u>-</u>	<u>391,023</u>

The dividend paid amounts to £nil (2016 - £19,551) per share.

ON MEDICAL LIMITED

Notes to the Financial Statements (continued)

Year ended 31st March 2017

11. Tangible assets

	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 April 2016	610,753	124	58,419	66,405	735,701
Additions	25,527	499	13,840	2,191	42,057
Disposals	—	—	(249)	—	(249)
At 31 March 2017	636,280	623	72,010	68,596	777,509
Depreciation					
At 1 April 2016	153,407	97	36,462	53,316	243,282
Charge for the year	64,223	50	4,341	4,730	73,344
Disposals	—	—	(113)	—	(113)
At 31 March 2017	217,630	147	40,690	58,046	316,513
Carrying amount					
At 31 March 2017	418,650	476	31,320	10,550	460,996
At 31 March 2016	457,346	27	21,957	13,089	492,419

12. Debtors

	2017 £	2016 £
Trade debtors	8,442,389	7,266,726
Amounts owed by group undertakings	7,721,836	7,069,282
Prepayments and accrued income	45,706	37,805
Other debtors	606	411
	16,210,537	14,374,224

13. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	498,670	386,520
Amounts owed to group undertakings	340,292	222,121
Accruals and deferred income	184,282	157,303
Corporation tax	242,934	189,925
Social security and other taxes	183,088	112,621
Other creditors	1,139	1,004
	1,450,405	1,069,494

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

14. Provisions

	Deferred tax (note 15) £
At 1st April 2016	39,253
Credited to Income Statement	(7,350)
At 31st March 2017	<u>31,903</u>

15. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in provisions (note 14)	<u>31,903</u>	<u>39,253</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Accelerated capital allowances	31,903	39,524
Other timing differences	—	(271)
	<u>31,903</u>	<u>39,253</u>

The net deferred tax liability expected to reverse in 2017/18 is £5,662. This relates to the reversal of fixed asset timing differences.

16. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £24,742 (2016: £14,912).

At the year end an amount of £1,139 (2016: £1,004) was outstanding and included within other creditors.

17. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>

ON MEDICAL LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31st March 2017

18. Reserves

Called up share capital - This represents the nominal value of shares that have been issued.

Profit and loss account - This reserve records retained earnings and accumulated losses.

19. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	103,400	103,400
Later than 1 year and not later than 5 years	43,083	146,483
	<u>146,483</u>	<u>249,883</u>

20. Contingencies

The group is subject to an unlimited composite guarantee, debenture, subordination agreement and counter indemnity between group companies, Winn Holding Limited, Winn Solicitors Limited, On-Hire Limited, On Medical Limited, Legal Comparison Limited and The Royal Bank of Scotland plc.

21. Related party transactions

As a subsidiary undertaking of Winn Holding Limited, the company has taken advantage of the exemption from disclosing transactions with other members that are wholly owned within the group.

The company rents office space from the directors' pension scheme (benefitting 2 of the directors). The amount charged during the year amounted to £100,000 (2016 - £100,000).

During the prior year, the company was charged £50 for advertising space on the website of Legal Comparison Limited. No amounts were outstanding at the end of 2016 or 2017.

22. Controlling party

The immediate parent company is Winn Holding Limited. Winn Holding Limited is the smallest to consolidate these financial statements. The registered office of Winn Holding Limited is Brinkburn Street, Byker, Newcastle upon Tyne, NE6 1PL.

The ultimate parent company is Continental Shelf 556 Limited. Continental Shelf 556 Limited is the largest to consolidate these financial statements. Copies of the ultimate parent company's financial statements can be obtained from 17a Curzon Street, London, W1J 5HS.

The directors consider that there is no ultimate controlling party.