

Registration number: 05773924

**ON MEDICAL LIMITED**  
Annual Report and Financial Statements  
for the Year Ended 31 March 2018

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# **On Medical Limited**

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# On Medical Limited

## Company Information

<b>Directors</b>	J J Winn I S Richardson
<b>Registered office</b>	Saxon House 50-52 Heaton Road Byker Newcastle upon Tyne NE6 1SL
<b>Bankers</b>	The Royal Bank of Scotland plc Newcastle Commercial Centre 2nd Floor 31 Grey Street Newcastle upon Tyne NE1 6ES
<b>Auditor</b>	Tait Walker LLP Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# **On Medical Limited**

## **Strategic Report for the Year Ended 31 March 2018**

The directors present their strategic report for the year ended 31 March 2018.

### **Principal activity**

The principal activity of the company is the provision of services primarily to victims of road traffic accidents.

### **Fair review of the business**

On Medical Limited had a challenging year within the medico legal reporting market, in which it experienced a number of issues, which weren't resolved until the first quarter of the current financial year. Despite this, On Medical was still able to exceed its budgeted turnover targets, as it focussed on other revenue streams outside of the medico legal reporting market. The Directors are hopeful that this growth in other revenue streams, together with the successful resolution of the matters within medico legal reporting will see On Medical expand its reach within its whole market in the coming financial year.

The Directors believe that On Medical should be able to consolidate its position in the coming financial period ahead of anticipated legislative changes in 2019.

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 £1.66m to £1.38m  
Shareholders' funds increased from £15.32m to £16.41m  
Net cash increased from £0.13m to £0.19m

### **Principal risks and uncertainties**

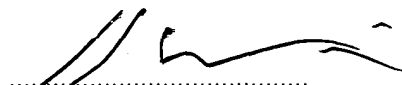
The principal risks and uncertainties facing the company are as follows;

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.

Approved by the Board on 26 July 2018 and signed on its behalf by:



J J Winn  
Director

# **On Medical Limited**

## **Directors' Report for the Year Ended 31 March 2018**

The directors present their report and the financial statements for the year ended 31 March 2018.

### **Directors of the company**

The directors who held office during the year were as follows:

J J Winn

I S Richardson

G Bashey (resigned 16 June 2017)

### **Financial instruments**

#### ***Objectives and policies***

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.

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. Company policies are aimed at minimising such losses and require customers to satisfy credit worthiness procedures prior to acceptance of contracts. The company also utilises insurance policies to protect against non-payment of debt. The company does not consider that it is materially exposed to credit risk.

Cash flow and liquidity risk is the risk that a company's available cash will not be sufficient to meet its financial obligations. The company actively manages its cash flow position including collection of debts and timely payment of creditors. This, coupled with the strong cash position of the Company is deemed sufficient to minimise the Company's exposure to cash flow and liquidity risk.

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.

### **Future developments**

See the disclosures within the Strategic Report regarding future developments of the Company.

### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

## **On Medical Limited**

### **Directors' Report for the Year Ended 31 March 2018 (continued)**

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Tait Walker LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 26 July 2018 and signed on its behalf by:



.....  
J J Winn  
Director

## **On Medical Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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 of 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

# **On Medical Limited**

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

### **Opinion**

We have audited the financial statements of On Medical Limited (the 'company') for the year ended 31 March 2018, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



## **On Medical Limited**

### **Independent Auditor's Report to the Members of On Medical Limited (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 and 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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **On Medical Limited**

### **Independent Auditor's Report to the Members of On Medical Limited (continued)**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## On Medical Limited

### Independent Auditor's Report to the Members of On Medical Limited (continued)

#### Use of our report

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.



Mark Brunton BSc FCA (Senior Statutory Auditor)  
For and on behalf of Tait Walker LLP  
Chartered Accountants and Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 30.7.2018

## On Medical Limited

### Income Statement for the Year Ended 31 March 2018

	Note	2018 £	2017 £
Turnover	3	8,723,624	9,118,640
Cost of sales		<u>(4,994,292)</u>	<u>(5,162,331)</u>
Gross profit		3,729,332	3,956,309
Administrative expenses		(2,453,700)	(2,343,874)
Other operating income		<u>100,444</u>	<u>49,440</u>
Operating profit	4	1,376,076	1,661,875
Other interest receivable and similar income	5	193	-
Interest payable and similar expenses	6	<u>-</u>	<u>(977)</u>
Profit before tax		1,376,269	1,660,898
Taxation	9	<u>(279,795)</u>	<u>(340,577)</u>
Profit for the financial year		<u><u>1,096,474</u></u>	<u><u>1,320,321</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 13 to 23 form an integral part of these financial statements.

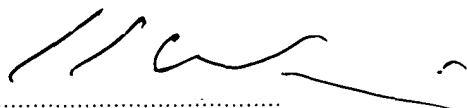
# On Medical Limited

(Registration number: 05773924)

## Statement of Financial Position as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	10	435,389	460,996
<b>Current assets</b>			
Debtors	11	16,978,551	16,210,537
Cash at bank and in hand		<u>188,542</u>	<u>127,182</u>
		17,167,093	16,337,719
<b>Creditors: Amounts falling due within one year</b>	12	<u>(1,154,968)</u>	<u>(1,450,405)</u>
<b>Net current assets</b>		<u>16,012,125</u>	<u>14,887,314</u>
<b>Total assets less current liabilities</b>		16,447,514	15,348,310
<b>Provisions for liabilities</b>	13	<u>(34,633)</u>	<u>(31,903)</u>
<b>Net assets</b>		<u>16,412,881</u>	<u>15,316,407</u>
<b>Capital and reserves</b>			
Called up share capital	15	20	20
Profit and loss account	16	<u>16,412,861</u>	<u>15,316,387</u>
<b>Total equity</b>		<u>16,412,881</u>	<u>15,316,407</u>

Approved and authorised by the Board on 26 July 2018 and signed on its behalf by:



J J Winn  
Director

The notes on pages 13 to 23 form an integral part of these financial statements.

## On Medical Limited

### Statement of Changes in Equity for the Year Ended 31 March 2018

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	20	13,996,066	13,996,086
Profit for the year	-	1,320,321	1,320,321
Total comprehensive income	-	1,320,321	1,320,321
At 31 March 2017	20	15,316,387	15,316,407

	Share capital £	Profit and loss account £	Total £
At 1 April 2017	20	15,316,387	15,316,407
Profit for the year	-	1,096,474	1,096,474
Total comprehensive income	-	1,096,474	1,096,474
At 31 March 2018	20	16,412,861	16,412,881

The notes on pages 13 to 23 form an integral part of these financial statements.

# **On Medical Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **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 Saxon House, 50-52 Heaton Road, Byker, Newcastle upon Tyne, NE6 1SL.

### **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 '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.

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

#### **Summary of disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

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

The Company has taken advantage of the the exemption available under paragraph 33.1A of FRS 102 and does not disclose related party transactions with members of the same group that are wholly owned.

#### **Name of parent of group**

These financial statements are consolidated in the financial statements of Winn Holding Limited.

The financial statements of Winn Holding Limited may be obtained from its registered office.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

## **On Medical Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Judgements**

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 effect the amounts recognised in the financial statements.

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.

##### **Key sources of estimation uncertainty**

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. The carrying amount is £435,381 (2017 - £460,996).

Impairment of debtors - 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 carrying amount is £2,163,641 (2017 - £2,157,953).

##### **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.

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

##### **Tax**

The tax expense for the period comprises current 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.



# On Medical Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

### 2 Accounting policies (continued)

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 statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

#### Impairment of 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, where 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.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold 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.

## On Medical Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

#### 2 Accounting policies (continued)

##### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if 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.

##### 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.

##### 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.

##### 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.

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2018 £	2017 £
Rendering of services	<u>8,723,624</u>	<u>9,118,640</u>

The analysis of the company's turnover for the year by market is as follows:

	2018 £	2017 £
UK	<u>8,723,624</u>	<u>9,118,640</u>

## On Medical Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

#### 4 Operating profit

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	45,996	73,344
Operating lease expense - property	103,308	103,492
Loss on disposal of property, plant and equipment	-	136

#### 5 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	193	-

#### 6 Interest payable and similar expenses

	2018 £	2017 £
Interest expense on other finance liabilities	-	977

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	1,275,113	1,122,589
Social security costs	93,077	68,846
Pension costs, defined contribution scheme	24,077	24,742
	<u>1,392,267</u>	<u>1,216,177</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Administrative	47	39
Physiotherapists	12	14
Management	4	5
	<u>63</u>	<u>58</u>

## On Medical Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

#### 7 Staff costs (continued)

The directors of the company are also members of the executive committee of the ultimate parent undertaking, Winn Holding Limited, and are directors of other subsidiary companies. These directors received total remuneration for the year of £599,215 (2017 - £546,095), all of which was accounted for by Winn Holding Limited.

#### 8 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	<u>7,800</u>	<u>10,360</u>

#### 9 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
<b>Current taxation</b>		
UK corporation tax	277,799	347,927
UK corporation tax adjustment to prior periods	<u>(734)</u>	<u>-</u>
	277,065	347,927
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>2,730</u>	<u>(7,350)</u>
Tax expense in the income statement	<u>279,795</u>	<u>340,577</u>

# On Medical Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

### 9 Taxation (continued)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - the same as the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Profit before tax	<u>1,376,269</u>	<u>1,660,898</u>
Corporation tax at standard rate	261,491	332,180
Increase (decrease) from effect of different UK tax rates on some earnings	188	(1,268)
Effect of expense not deductible in determining taxable profit (tax loss)	14,534	9,665
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	<u>3,582</u>	<u>-</u>
Total tax charge	<u>279,795</u>	<u>340,577</u>

#### Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
<b>2018</b>		
Accelerated capital allowances	-	34,783
Other timing differences	<u>151</u>	<u>-</u>
	<u>151</u>	<u>34,783</u>
<b>2017</b>		Liability £
Accelerated capital allowances		31,903
Other timing differences		<u>-</u>
		<u>31,903</u>

## On Medical Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

#### 10 Tangible assets

	Long leasehold property £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2017	636,280	72,010	623	68,596	777,509
Additions	<u>20,114</u>	<u>-</u>	<u>-</u>	<u>275</u>	<u>20,389</u>
At 31 March 2018	<u>656,394</u>	<u>72,010</u>	<u>623</u>	<u>68,871</u>	<u>797,898</u>
<b>Depreciation</b>					
At 1 April 2017	217,630	40,690	147	58,046	316,513
Charge for the year	<u>37,569</u>	<u>4,698</u>	<u>157</u>	<u>3,572</u>	<u>45,996</u>
At 31 March 2018	<u>255,199</u>	<u>45,388</u>	<u>304</u>	<u>61,618</u>	<u>362,509</u>
<b>Carrying amount</b>					
At 31 March 2018	<u>401,195</u>	<u>26,622</u>	<u>319</u>	<u>7,253</u>	<u>435,389</u>
At 31 March 2017	<u>418,650</u>	<u>31,320</u>	<u>476</u>	<u>10,550</u>	<u>460,996</u>

# On Medical Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

### 11 Debtors

	2018 £	2017 £
Trade debtors	9,284,831	8,442,389
Amounts owed by group undertakings	7,545,524	7,721,836
Other debtors	100,220	606
Prepayments	47,976	45,706
	<u>16,978,551</u>	<u>16,210,537</u>

### 12 Creditors

	Note	2018 £	2017 £
<b>Due within one year</b>			
Trade creditors		579,826	498,670
Amounts due to related parties	20	-	340,292
Social security and other taxes		150,945	183,088
Other creditors		1,617	1,139
Accrued expenses		213,593	184,282
Corporation tax liability		208,987	242,934
		<u>1,154,968</u>	<u>1,450,405</u>

### 13 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 April 2017	31,903	31,903
Increase (decrease) in existing provisions	(1,586)	(1,586)
Prior period adjustment	4,316	4,316
At 31 March 2018	<u>34,633</u>	<u>34,633</u>

## On Medical Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

#### 14 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £24,077 (2017 - £24,742).

#### 15 Share capital

##### Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary of £1 each	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>

#### 16 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

#### 17 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	43,083	103,400
Later than one year and not later than five years	<u>-</u>	<u>43,083</u>
	<u>43,083</u>	<u>146,483</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £103,308 (2017 - £103,492).



## **On Medical Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)**

#### **18 Commitments**

##### **Capital commitments**

The total amount contracted for but not provided in the financial statements was £14,110 (2017 - £Nil).

#### **19 Contingent assets**

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.

#### **20 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 (2017 - £100,000).

#### **21 Parent and ultimate parent undertaking**

The directors consider that there is no ultimate controlling party

The company's immediate parent is Winn Holding Limited, incorporated in England and Wales.

The ultimate parent is Continental Shelf 556 Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Continental Shelf 556 Limited. These financial statements are available upon request from 17a Curzon Street, London, W1J 5HS