

# **MDS HEALTHCARE LIMITED**

## **ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2016**

**PAGES FOR FILING WITH REGISTRAR**

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# **MDS HEALTHCARE LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Ms S Miyanji Mr M Patel
<b>Secretary</b>	Mr J Patel
<b>Company number</b>	08078964
<b>Registered office</b>	Richard House Winckley Square Preston PR1 3HP
<b>Auditor</b>	Moore and Smalley LLP Fylde House Skyways Commercial Campus Amy Johnson Way Blackpool FY4 3RS

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# **MDS HEALTHCARE LIMITED**

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# **MDS HEALTHCARE LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2016**

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The directors present their annual report and financial statements for the year ended 30 June 2016.

### **Principal activities**

The principal activity of the company is that of a dispensing chemist.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms S Miyanji  
Mr M Patel

### **Auditor**

Moore and Smalley LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible 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:

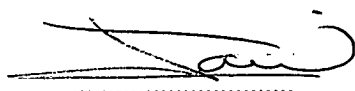
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



.....  
**Mr J Patel**

**Secretary**

23/9/17.....

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# **MDS HEALTHCARE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO MDS HEALTHCARE LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of MDS Healthcare Limited for the year ended 30 June 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **Other information**

On 27/9/17 we reported, as auditor of MDS Healthcare Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 30 June 2016, and our report was as follows:

We have audited the financial statements of MDS Healthcare Limited for the year ended 30 June 2016 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and 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 set out on page 1, 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.

# **MDS HEALTHCARE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO MDS HEALTHCARE LIMITED (CONTINUED)**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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#### **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 annual 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.

#### **Basis of qualified opinion on financial statements**

We were appointed as auditors of the company after the year end and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 30 June 2015. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

#### **Qualified opinion on the financial statements**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of MDS Healthcare Limited:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 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; and.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

# **MDS HEALTHCARE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO MDS HEALTHCARE LIMITED (CONTINUED)**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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#### **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 Directors' Report.

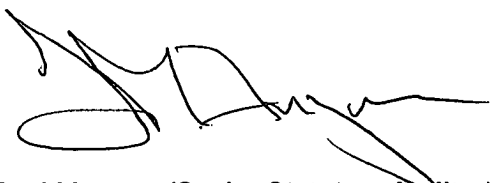
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

#### **Other matters**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore the prior period financial statements were not subject to audit.



**David Ingram (Senior Statutory Auditor)**  
**for and on behalf of Moore and Smalley LLP**  
**Chartered Accountants**  
**Statutory Auditor**

Fylde House  
Skyways Commercial Campus  
Amy Johnson Way  
Blackpool  
FY4 3RS

29/9/17

# MDS HEALTHCARE LIMITED

## ABBREVIATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Notes	£	as restated £
<b>Turnover</b>		11,393,115	13,547,578
Other operating income and cost of sales		(9,276,836)	(11,566,356)
Administrative expenses		(1,458,781)	(1,457,506)
<b>Operating profit</b>	<b>2</b>	<u>657,498</u>	<u>523,716</u>
Other interest receivable and similar income		-	6
Other interest payable and similar expenses		(11,694)	(18,196)
Amounts written off investments	<b>4</b>	(5,873)	(11,746)
<b>Profit before taxation</b>		<u>639,931</u>	<u>493,780</u>
Taxation		(112,204)	(99,550)
<b>Profit for the financial year</b>		<u><u>527,727</u></u>	<u><u>394,230</u></u>



# MDS HEALTHCARE LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2016

		2016		2015 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	5		135,880		77,778
Other intangible assets	5		141,029		402,175
Total intangible assets			276,909		479,953
Tangible assets	6		413,959		369,020
Investment properties	7		-		259,449
Investments	8		8		8
			690,876		1,108,430
<b>Current assets</b>					
Stocks		169,800		295,000	
Debtors	9	2,601,019		2,447,843	
Cash at bank and in hand		703,056		340,327	
		3,473,875		3,083,170	
<b>Creditors: amounts falling due within one year</b>	10	(2,776,189)		(2,737,258)	
<b>Net current assets</b>			697,686		345,912
<b>Total assets less current liabilities</b>			1,388,562		1,454,342
<b>Creditors: amounts falling due after more than one year</b>	11		(223,821)		(780,261)
<b>Provisions for liabilities</b>			(45,138)		(40,205)
<b>Net assets</b>			1,119,603		633,876
<b>Capital and reserves</b>					
Called up share capital	12		2		2
Profit and loss reserves			1,119,601		633,874
<b>Total equity</b>			1,119,603		633,876

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

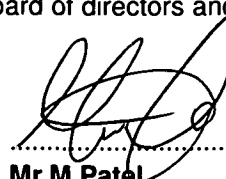
# **MDS HEALTHCARE LIMITED**

## **BALANCE SHEET**

**AS AT 30 JUNE 2016**

The financial statements were approved by the board of directors and authorised for issue on 27/9/17 and are signed on its behalf by:

Miyanji S.M.  
**Ms S Miyanji**  
**Director**

  
**Mr M Patel**  
**Director**

**Company Registration No. 08078964**

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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### 1 Accounting policies

#### Company information

MDS Healthcare Limited is a private company limited by shares incorporated in England and Wales. The registered office is Richard House, Winckley Square, Preston, PR1 3HP.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 June 2016 are the first financial statements of MDS Healthcare Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Prior period error

During year ended 30 June 2014, the profit on disposal of fixed assets were overstated by £73,945. This arose due to part disposal being treated as a full disposal.

During year ended 30 June 2015, refurbishments of £101,825 capitalised as fixed assets have been reclassified as prepayments. There were no profit effects in relation to these reclassification of balances.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

### 1 Accounting policies

(Continued)

#### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual installments over its estimated useful economic life of 5 years.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Branding & Website	20% straight line
Contracts	20% straight line

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Land and buildings	4% straight line
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.11 Cash and cash equivalents

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

#### 1.12 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

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### 1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

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

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

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

### 1.13 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

### 1 Accounting policies

(Continued)

#### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
	<u>          </u>	<u>          </u>

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 49 (2015 - 53).

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

### 4 Amounts written off investments

	2016 £	2015 £
<b>Fair value gains/(losses)</b>		
Changes in the fair value of investment properties	(5,873)	(11,746)

### 5 Intangible fixed assets

	Goodwill £	Other £	Total £
<b>Cost</b>			
At 1 July 2015	194,445	510,464	704,909
Additions	113,515	-	113,515
Disposals	-	(264,232)	(264,232)
At 30 June 2016	307,960	246,232	554,192
<b>Amortisation and impairment</b>			
At 1 July 2015	116,667	108,289	224,956
Amortisation charged for the year	55,413	51,183	106,596
Disposals	-	(54,269)	(54,269)
At 30 June 2016	172,080	105,203	277,283
<b>Carrying amount</b>			
At 30 June 2016	135,880	141,029	276,909
At 30 June 2015	77,778	402,175	479,953



# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

### 6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 July 2015	84,489	492,456	576,945
Additions	-	138,181	138,181
Disposals	(6,159)	(21,100)	(27,259)
At 30 June 2016	78,330	609,537	687,867
<b>Depreciation and impairment</b>			
At 1 July 2015	4,916	203,009	207,925
Depreciation charged in the year	3,133	77,099	80,232
Eliminated in respect of disposals	(2,872)	(11,377)	(14,249)
At 30 June 2016	5,177	268,731	273,908
<b>Carrying amount</b>			
At 30 June 2016	73,153	340,806	413,959
At 30 June 2015	79,572	289,448	369,020

### 7 Investment property

	2016 £
<b>Fair value</b>	
At 1 July 2015	259,449
Disposals	(253,576)
Revaluations	(5,873)
At 30 June 2016	-

Investment property was sold during the period. The fair value of the investment property brought forward had been arrived at on the basis of the acquisition cost, which was only three years ago and the directors knowledge of market prices of similar properties in the area.

### 8 Fixed asset investments

	2016 £	2015 £
Investments	8	8

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

### 8 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 July 2015 & 30 June 2016	8
<b>Carrying amount</b>	
At 30 June 2016	8
At 30 June 2015	8

### 9 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,248,784	2,145,588
Amounts due from group undertakings	85,294	46,496
Other debtors	1,266,941	255,759
	<u>2,601,019</u>	<u>2,447,843</u>

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

	2016 £	2015 £
Bank loans and overdrafts	43,365	81,156
Trade creditors	2,212,423	2,233,144
Corporation tax	292,757	180,452
Taxation and social security	13,297	30,283
Other creditors	214,347	212,223
	<u>2,776,189</u>	<u>2,737,258</u>

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

	2016 £	2015 £
Bank loans and overdrafts	223,821	368,642
Trade creditors	-	411,619
	<u>223,821</u>	<u>780,261</u>

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

### 11 Creditors: amounts falling due after more than one year (Continued)

The overdraft and loan facilities are secured by a debenture cresting a fixed and floating charge over the assets of the company. A legal first charge over Block C Clayton Green Business Park and a legal first charge over the occupational lease on 62 Haslingden Road.

### 12 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2 ordinary of £1 each	2	2
	<u>2</u>	<u>2</u>

### 13 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2016 £	2015 £
	553,164	488,976
	<u>553,164</u>	<u>488,976</u>

### 14 Related party transactions

#### Remuneration of key management personnel

	2016 £	2015 £
Aggregate compensation	32,686	38,994
	<u>32,686</u>	<u>38,994</u>

#### Amounts owed to/by related parties

The following amounts were outstanding at the reporting end date:

Category	Amount owed to		Amounts owed by	
	2016 £	2015 £	2016 £	2015 £
Other related parties	-	-	85,294	-

# MDS HEALTHCARE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

### 15 Directors' transactions

The company was under the control of the directors throughout the current and prior periods.

The directors have a loan account with the company against which personal expenditure and drawings of £4,070 was charged during the period. The balance at 30 June 2016 was £103,586 (2015: £107,656) owed to the directors.

Dividends totalling £42,000 (2015: £46,000) were paid to the directors in the year.

### 16 Prior period adjustment

During year ended 30 June 2014, the profit on disposal of fixed assets were overstated by £73,945. This arose due to part disposal being treated as a full disposal.

During year ended 30 June 2015, refurbishments of £101,825 capitalised as fixed assets have been reclassified as prepayments. There were no profit effects in relation to these reclassification of balances

#### Changes to the balance sheet

	At 30 June 2015			
	As previously reported	Adjustment at 1 Jul 2014	Adjustment at 30 Jun 2015	As restated
	£	£	£	£
<b>Fixed assets</b>				
Tangible assets	396,900	-	(27,880)	369,020
<b>Current assets</b>				
Debtors due within one year	2,266,574	-	101,825	2,368,399
	<u>559,931</u>	<u>-</u>	<u>73,945</u>	<u>633,876</u>
<b>Net assets</b>				
	<u>559,931</u>	<u>-</u>	<u>73,945</u>	<u>633,876</u>
<b>Capital and reserves</b>				
Profit and loss	559,929	73,945	-	633,874
	<u>559,929</u>	<u>73,945</u>	<u>-</u>	<u>633,874</u>

#### Changes to the profit and loss account

	Period ended 30 June 2015			
	As previously reported	Adjustment	As restated	
	£	£	£	£
Profit for the financial period	394,230	-	394,230	
	<u>394,230</u>	<u>-</u>	<u>394,230</u>	