

# **Medequip Group Limited**

## **Strategic Report, Directors' Report and Financial Statements**

Registered number 09553385

For the year ended 31 December 2020

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## Strategic Report

### Principal activities

In the year ended 31 December 2020 Medequip Group Limited (the "Company") did not trade. It received income in the form of a single dividend payment from its associate undertaking Creative Software Solutions (Europe) Ltd. In the prior year the Company was a dormant company.

### Business review and results

In the current year the Company made a profit of £62,000 as a consequence of receiving dividend income from its associate undertaking. In the prior year the Company did not trade and received no investment income.

### Key performance indicators

The Company did not use key performance indicators in the current year or the prior period.

### Principal risks and uncertainties

The Company is an obligor under a committed loan facility made available to Medequip Holdings Limited ("MHL"), its ultimate parent company, and the remaining subsidiary companies of MHL. The risks and uncertainties associated with this loan facility are disclosed in the consolidated MHL Group accounts.

### Future developments

The Company does not currently anticipate that it will trade in the future.

Signed on behalf of the Board



**M F Greenwood**  
Director

Unit 2 The Summit Centre  
Skyport Drive  
West Drayton  
Middlesex  
UB7 0LJ

7<sup>th</sup> July 2021

## Directors' Report

The directors present their Directors' Report and Financial Statements for the year ended 31 December 2020.

### Dividends

The directors do not recommend the payment of a dividend (2019: £nil).

### Directors

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

A J Siddall  
D S Griffiths  
J C Siddall  
A P Firth  
C P Siddall  
J P Cockcroft  
N S P Cook  
J Ibbotson  
M West  
M F Greenwood

### Political contributions

The Company made £nil political donations during the year and incurred no political expenditure (2019: £nil).

### Other information

An indication of likely future developments in the business and particulars of any significant events which have occurred since the end of the financial year have been included in the Strategic Report.

By order of the Board



**M F Greenwood**  
Director

7<sup>th</sup> July 2021

Unit 2 The Summit Centre  
Skyport Drive  
West Drayton  
Middlesex  
UB7 0LJ

## **Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements**

The directors are responsible for preparing the Strategic Report, Directors' 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 they have elected to prepare the Financial Statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 December 2020*

	<i>Note</i>	2020 £000	2019 £000
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Dividend income from associate	2	62	-
		<hr/>	<hr/>
<b>Profit before interest and taxation</b>		62	-
Interest payable and similar charges	3	-	-
		<hr/>	<hr/>
<b>Profit before taxation</b>		62	-
Tax	4	-	-
		<hr/>	<hr/>
<b>Profit for the year</b>		<hr/> <hr/> 62	<hr/> <hr/> -

The Company has no recognised gains or losses other than the profits for the current year or previous year.

The notes on page 7 to 12 form part of these Financial Statements.

**Balance Sheet**  
*at 31 December 2020*

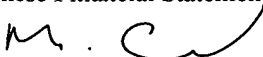
	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Investments	5	50,787	50,787
<b>Current assets</b>			
Debtors	6	333	333
Creditors: amounts falling due within one year	7	(19,887)	(19,949)
<b>Net current liabilities</b>		(19,554)	(19,616)
<b>Total assets less current liabilities</b>		31,233	31,171
<b>Creditors: amounts falling due after more than one year</b>		-	-
<b>Net assets</b>		31,233	31,171
<b>Capital and reserves</b>			
Ordinary share capital	9	375	375
Preferred ordinary share capital	9	32,221	32,221
Profit and loss account		(1,363)	(1,425)
<b>Shareholders' funds</b>		31,233	31,171

The notes on page 7 to 12 form part of these Financial Statements.

The directors:

- a) confirm that the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies from the requirement to have its Financial Statements for the financial year ended 31 December 2019 audited;
- b) confirm that members have not required the Company to obtain an audit of its Financial Statements for that financial year in accordance with section 476 of the Companies Act 2006 and;
- c) acknowledge their responsibilities for:
  - i) ensuring that the Company keeps adequate accounting records which comply with section 386 of the Companies Act 2006 and;
  - ii) preparing Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 393 and 394 of the Companies Act 2006, and which otherwise comply with the requirements of that Act relating to Financial Statements, so far as applicable to the Company;
- d) confirm that the Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These Financial Statements were approved by the board on 7<sup>th</sup> July 2021 and were signed on its behalf by:

  
**M F Greenwood** - Director  
Registered number 09553385

## Statement of Changes in Equity

	Called up share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2019	375	32,221	(1,425)	31,171
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>				
Profit	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019 and 1 January 2020	375	32,221	(1,425)	31,171
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>				
Profit	-	-	62	62
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	62	62
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2020</b>	<b>375</b>	<b>32,221</b>	<b>(1,363)</b>	<b>31,233</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on page 7 to 12 form part of these Financial Statements.



## **Notes**

*(forming part of the Financial Statements)*

### **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements, unless noted otherwise below.

#### ***Basis of preparation***

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2016 and effective immediately have been applied. The presentation currency of these Financial Statements is sterling. All amounts in the Financial Statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, Medequip Holdings Limited, includes the Company in its consolidated Financial Statements. The consolidated Financial Statements of Medequip Holdings Limited are prepared in accordance with FRS 102, are available to the public, and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ. In these Financial Statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated Financial Statements of Medequip Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Financial Statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group Financial Statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Medequip Holdings Limited, incorporated in England and Wales, and is included in the consolidated Financial Statements of that company.

#### ***Going concern***

Notwithstanding net current liabilities of £19,554,000 as at 31 December 2020, the Financial Statements have been prepared on a going concern basis. The Company has access to a £25,000,000 revolving credit facility which is available to Medequip Holdings Limited Group companies, which will enable the Company to meet its liabilities as they fall due. The Company does not expect its fellow subsidiary company Medequip Assistive Technology Limited ("MATL") to seek repayment of the amounts currently due, which at 31 December 2020 amounted to £19,887,000 (2019: £19,949,000). MATL has indicated that it does not intend to seek repayment of these amounts for the period of at least twelve months from the date of approval of these Financial Statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these Financial Statements, they have no reason to believe that MATL will not do so. Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due, for at least 12 months from the date of approval of these Financial Statements, which are therefore prepared on a going concern basis.

#### ***Investments***

Fixed asset investments are stated at cost less provision for diminution in value.

#### ***Taxation***

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

## Notes (continued)

### 2 Dividend income from associate

*Included in profit are the following:*

	2020 £000	2019 £000
Dividend income from associate undertaking (note 5)	62	-
	<u>62</u>	<u>-</u>

### 3 Interest payable and similar charges

	2020 £000	2019 £000
On bank loans and overdrafts	-	-
	<u>-</u>	<u>-</u>

### 4 Taxation

*Total tax expense recognised in the profit and loss account*

	2020 £000	£000	2019 £000	£000
<i>Current tax</i>				
Current tax on income for the year	-		-	
Adjustments in respect of prior years	-		-	
	<u>-</u>		<u>-</u>	
Total current tax		-		-
<i>Deferred tax</i>				
Origination and reversal of timing differences	-		-	
Effect of tax rate change on opening balance	-		-	
Adjustments in respect of prior years	-		-	
	<u>-</u>		<u>-</u>	
Total deferred tax		-		-
		<u>-</u>		<u>-</u>
Total tax		<u>-</u>		<u>-</u>

## Notes (continued)

### 4 Taxation (continued)

#### Reconciliation of effective tax rate

	2020 £000	2019 £000
Profit for the year	62	-
Total tax expense	-	-
	<hr/>	<hr/>
Profit excluding taxation	62	-
Tax using the UK corporation tax rate of 19.00% (2019: 19.00%)	12	-
Exempt income	(12)	-
Non-deductible expenses	-	-
	<hr/>	<hr/>
Total tax expense included in profit or loss	-	-
	<hr/>	<hr/>

A UK corporation tax rate of 19% (effective from 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. Deferred tax at 31 December 2020 has been calculated at 19% (2019: 17%).

### 5 Fixed asset investments

	Associate undertakings £000	Subsidiary undertakings £000	Total £000
<b>Cost</b>			
At the beginning of the year	872	49,915	50,787
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
At the end of the year	872	49,915	50,787
	<hr/>	<hr/>	<hr/>
<b>Provisions</b>			
At the beginning and end of the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2020	872	49,915	50,787
	<hr/>	<hr/>	<hr/>
At 31 December 2019	872	49,915	50,787
	<hr/>	<hr/>	<hr/>

## Notes (continued)

### 5 Fixed asset investments (continued)

The Company has the following investments in subsidiaries:

Subsidiary undertakings	Registered office address	Class of shares held	Ownership 2020 %	Ownership 2019 %
Siddall Medequip Limited	Summit Centre, Skyport Drive, Harmondsworth, UB7 0LJ	Ordinary	100	100
Siddall Group Limited	Summit Centre, Skyport Drive, Harmondsworth, UB7 0LJ	Ordinary	100	100
Medequip Assistive Technology Limited	Summit Centre, Skyport Drive, Harmondsworth, UB7 0LJ	Ordinary	100	100
Manage at Home Limited	Summit Centre, Skyport Drive, Harmondsworth, UB7 0LJ	Ordinary	100	100

Subsidiary undertakings	Principal activity
Siddall Medequip Limited	Dormant
Siddall Group Limited	Dormant
Medequip Assistive Technology Limited	Healthcare services
Manage at Home Limited	Dormant

The Company has the following investments in associates:

Associate undertaking	Registered office address	Class of shares held	Ownership 2020 %	Ownership 2019 %
Creative Software Solutions (Europe) Ltd	Unit 3 Parkside Court, Greenhough Road, Lichfield, WS13 7AU	Ordinary	20	20

### 6 Debtors

	2020 £000	2019 £000
Amounts owed by group companies	333	333

Amounts owed by group companies are interest-free and repayable on demand.

## Notes (continued)

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

	2020 £000	2019 £000
Amounts owed to group companies	19,887	19,949

Amounts owed to group companies and related undertakings are interest-free and repayable on demand. The current intention of the group directors is to maintain the loans in their current form for at least 12 months from the balance sheet date, however in the absence of a signed agreement, classifying the balances as current is appropriate.

### 8 Interest-bearing loans and borrowings

The Company is an obligor to a revolving credit facility; the Company has made no drawings under this facility during the year or the prior year. The facility interest rate is based on LIBOR plus a margin, which varies between 1.20% and 1.95%. The facility is a £25,000,000 revolving loan facility that is available until 31st July 2023, and which is available to Medequip Holdings Limited (the ultimate parent company) and its subsidiaries, which includes the Company, for working capital and general corporate purposes.

### 9 Capital and reserves

#### Share capital

	2020 £000	2019 £000
<i>Allotted, called up and fully paid</i>		
150,000 A ordinary shares at £1 each – allotted, called up and fully paid	150	150
225,000 B ordinary shares at £1 each – allotted, called up and fully paid	225	225
	<u>375</u>	<u>375</u>
32,221,000 preferred ordinary shares of £0.00001 each	-	-
32,221,000 preferred ordinary share premium at £0.99999 each	32,221	32,221
	<u>32,221</u>	<u>32,221</u>
Shares classified in shareholders' funds	<u>32,596</u>	<u>32,596</u>

All shares in the share capital of the Company in issue, rank pari-passu.

## **Notes (continued)**

### **10 Contingent liabilities**

The Company is part of a Group banking facility and as such has guaranteed payment to the bank, on demand, of all present, future, actual or contingent liabilities of the parent and subsidiary undertakings within the Medequip Holdings Limited Group of companies. The net amount outstanding at 31 December 2020 of the Medequip Holdings Limited Group of companies was £8,539,000 (2019: £15,712,000).

### **11 Ultimate parent company**

The immediate and ultimate parent company is Medequip Holdings Limited, whose registered address is Unit 2 Summit Centre, Skyport Drive, West Drayton, Middlesex UB7 0LJ. Medequip Holdings Limited is the parent company of both the smallest and largest group of which the Company is a member and for which group Financial Statements are prepared. The Company is registered in England and Wales and its registered address is Unit 2 Summit Centre, Skyport Drive, West Drayton, Middlesex, UB7 0LJ. The accounts of the Company and its parent are available to the public and may be obtained from the Register of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the Company.