

Registered number: 10208955

**MEDTRUM LTD**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



**MEDTRUM LTD**  
**REGISTERED NUMBER: 10208955**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

|   | <b>Note</b> | <b>2020</b><br><b>£</b> | <b>2019</b><br><b>£</b> |
|---|-------------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |             |                         |                         |
| Tangible assets   | 4           | 2,462                   | 4,187                   |
|   |             | <u>2,462</u>            | <u>4,187</u>            |
| <b>Current assets</b>                                   |             |                         |                         |
| Stocks  | 5           | 123,532                 | 75,887                  |
| Debtors   | 6           | 889,126                 | 804,055                 |
| Cash at bank and in hand                                |             | 652,121                 | 721,876                 |
|   |             | <u>1,664,779</u>        | <u>1,601,818</u>        |
| Creditors: amounts falling due within one year          | 7           | (177,203)               | (75,041)                |
| <b>Net current assets</b>                               |             | <u>1,487,576</u>        | <u>1,526,777</u>        |
| <b>Total assets less current liabilities</b>            |             | <u>1,490,038</u>        | <u>1,530,964</u>        |
| Creditors: amounts falling due after more than one year | 8           | (3,591,309)             | (3,130,507)             |
| <b>Net liabilities</b>                                  |             | <u>(2,101,271)</u>      | <u>(1,599,543)</u>      |
| <b>Capital and reserves</b>                             |             |                         |                         |
| Called up share capital                                 |             | 100,000                 | 100,000                 |
| Profit and loss account                                 |             | (2,201,271)             | (1,699,543)             |
|   |             | <u>(2,101,271)</u>      | <u>(1,599,543)</u>      |

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**MEDTRUM LTD**  
**REGISTERED NUMBER: 10208955**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

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The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....  
**C Yang**  
Director

Date:

*July 16, 2021*

The notes on pages 3 to 9 form part of these financial statements.

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## MEDTRUM LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Medtrum Limited is a private company limited by shares and registered in England and Wales. The address of its registered office and principal place of business is Citibase Watford, 42-44 Clarendon Road, Watford, WD17 1JJ.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The company shows net liabilities of £2,101,271 at the balance sheet date. The financial statements have been drawn up on a going concern basis on the assumption that the company's parent undertaking will continue to provide such financial support as the company requires to enable it to meet its liabilities when they fall due. The company has received assurance that such support will be provided.

Should such support be withdrawn, the company would be unable to continue trading and adjustments would have to be made to reduce the value of the assets to their recoverable amount and provide for any further liabilities that may arise.

The on-going COVID-19 pandemic and its effect on the country's economy has impacted the company's operations. In response to this, the director has performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available government measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the director has concluded that there is no material uncertainty and that he can continue to adopt the going concern basis in preparing the financial statements. The director considers a reasonable expectation that the company will continue in operational existence for the foreseeable future of minimum 12 months from signing the balance sheet.

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**MEDTRUM LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

**2.6 Government grants**

Government grants are recognised in the Statement of Comprehensive Income so as to match them with expenditure they are intended to contribute.

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## MEDTRUM LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.8 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                       |   |                   |
|-----------------------|---|-------------------|
| Fixtures and fittings | - | 20% straight line |
| Office equipment      | - | 33% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.10 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to sell. The impairment loss is recognised immediately in profit or loss.

##### 2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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**MEDTRUM LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.12 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**3. Employees**

The average monthly number of employees, including the director, during the year was as follows:

|           | <b>2020<br/>No.</b> | <b>2019<br/>No.</b> |
|-----------|---------------------|---------------------|
| Employees | <b>9</b>            | <b>9</b>            |

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**MEDTRUM LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**4. Tangible fixed assets**

|                                     | Fixtures and<br>fittings<br>£ | Office<br>equipment<br>£ | Total<br>£   |
|-------------------------------------|-------------------------------|--------------------------|--------------|
| <b>Cost</b>                         |                               |                          |              |
| At 1 January 2020                   | 200                           | 8,316                    | 8,516        |
| Additions                           | -                             | 874                      | 874          |
| At 31 December 2020                 | <u>200</u>                    | <u>9,190</u>             | <u>9,390</u> |
| <b>Depreciation</b>                 |                               |                          |              |
| At 1 January 2020                   | 123                           | 4,206                    | 4,329        |
| Charge for the year on owned assets | 40                            | 2,559                    | 2,599        |
| At 31 December 2020                 | <u>163</u>                    | <u>6,765</u>             | <u>6,928</u> |
| <b>Net book value</b>               |                               |                          |              |
| At 31 December 2020                 | <u>37</u>                     | <u>2,425</u>             | <u>2,462</u> |
| At 31 December 2019                 | <u>77</u>                     | <u>4,110</u>             | <u>4,187</u> |

**5. Stocks**

|                  | 2020<br>£      | 2019<br>£     |
|------------------|----------------|---------------|
| Goods for resale | 123,532        | 75,887        |
|                  | <u>123,532</u> | <u>75,887</u> |



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**MEDTRUM LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6. Debtors**

|                                    | <b>2020</b>    | <b>2019</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Trade debtors                      | <b>102,050</b> | <b>55,990</b>  |
| Amounts owed by group undertakings | <b>768,505</b> | <b>740,631</b> |
| Other debtors                      | <b>5,973</b>   | <b>5,601</b>   |
| Prepayments and accrued income     | <b>12,598</b>  | <b>1,833</b>   |
|                                    | <b>889,126</b> | <b>804,055</b> |

**7. Creditors: Amounts falling due within one year**

|                                    | <b>2020</b>    | <b>2019</b>   |
|------------------------------------|----------------|---------------|
|                                    | <b>£</b>       | <b>£</b>      |
| Trade creditors                    | <b>41,122</b>  | <b>40,649</b> |
| Amounts owed to group undertakings | <b>102,415</b> | <b>-</b>      |
| Other taxation and social security | <b>28,659</b>  | <b>22,056</b> |
| Other creditors                    | <b>2,731</b>   | <b>5,927</b>  |
| Accruals and deferred income       | <b>2,276</b>   | <b>6,409</b>  |
|                                    | <b>177,203</b> | <b>75,041</b> |

**8. Creditors: Amounts falling due after more than one year**

|                                    | <b>2020</b>      | <b>2019</b>      |
|------------------------------------|------------------|------------------|
|                                    | <b>£</b>         | <b>£</b>         |
| Amounts owed to group undertakings | <b>3,591,309</b> | <b>3,130,507</b> |
|                                    | <b>3,591,309</b> | <b>3,130,507</b> |

**9. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £8,718 (2019 - £7,744). Contributions totalling £1,826 (2019 - £1,801) were payable to the fund at the balance sheet date and are included in creditors.

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**MEDTRUM LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Commitments under operating leases**

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | 2020<br>£     | 2019<br>£    |
|--|---------------|--------------|
| Not later than 1 year                        | 23,328        | 1,767        |
| Later than 1 year and not later than 5 years | 1,944         | -            |
|  | <u>25,272</u> | <u>1,767</u> |

**11. Related party transactions**

The company is a wholly owned subsidiary of Medtrum Technologies Inc. and as such has taken advantage of exemptions permitted by FRS102 1A Section 33 'Related Transactions Disclosures' not to disclose transactions entered into with other wholly owned subsidiaries of the group. The company is included in the consolidated financial statements of Medtrum Technologies Inc., the ultimate parent undertaking.

**12. Controlling party**

The immediate and ultimate parent undertaking is Medtrum Technologies Inc., a company registered in China. The ultimate controlling party is C Yang, who is the sole director.