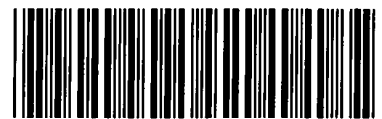


HOSPITAL INNOVATIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
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HOSPITAL INNOVATIONS LIMITED

COMPANY INFORMATION

Director	Mr W P Davies
Secretary	Mr A N Clark
Company number	04261709
Registered office	Concept House Talbot Green Business Park PONTYCLUN CF72 9FG
Accountants	Baldwins (Cardiff) Limited The Counting House Dunleavy Drive Cardiff CF11 0SN

HOSPITAL INNOVATIONS LIMITED

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HOSPITAL INNOVATIONS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3	1,226,593		1,342,410	
Investment properties	4	230,000		230,000	
Investments	5	20		20	
		<u>1,456,613</u>		<u>1,572,430</u>	
Current assets					
Stocks		471,868		485,473	
Debtors	6	1,159,403		1,575,713	
Cash at bank and in hand		78,147		153,085	
		<u>1,709,418</u>		<u>2,214,271</u>	
Creditors: amounts falling due within one year	7	<u>(1,762,621)</u>		<u>(2,212,586)</u>	
Net current (liabilities)/assets			(53,203)		1,685
Total assets less current liabilities		<u>1,403,410</u>		<u>1,574,115</u>	
Creditors: amounts falling due after more than one year	8		(364,229)		(527,291)
Provisions for liabilities			(153,982)		(201,277)
Net assets		<u>885,199</u>		<u>845,547</u>	
Capital and reserves					
Called up share capital	10	100		100	
Revaluation reserve	11	354,476		362,180	
Profit and loss reserves		530,623		483,267	
Total equity		<u>885,199</u>		<u>845,547</u>	

HOSPITAL INNOVATIONS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on

13 DECEMBER 2017


.....
Mr W P Davies
Director

Company Registration No. 04261709

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Hospital Innovations Limited is a private company limited by shares incorporated in England and Wales. The registered office is Concept House, Talbot Green Business Park, PONTYCLUN, CF72 9FG.

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.

1.2 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.

1.3 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.

Depreciation 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:

Land and buildings Freehold	2% on cost
Land and buildings Leasehold	10% on cost
Plant and machinery	15% on cost
Fixtures, fittings & equipment	33% on cost and 25% on cost
Office equipment	15% on cost
Motor vehicles	25% on cost

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Freehold land is not depreciated.

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.

1.4 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.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

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.

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.7 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.

1.8 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.

1.9 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.

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.

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.10 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.

1.11 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.

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.

1.12 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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

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.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 36 (2016 - 37).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2016	928,507	874,234	1,802,741
Additions	-	46,961	46,961
At 31 March 2017	928,507	921,195	1,849,702
Depreciation and impairment			
At 1 April 2016	35,330	425,001	460,331
Depreciation charged in the year	21,860	140,918	162,778
At 31 March 2017	57,190	565,919	623,109
Carrying amount			
At 31 March 2017	871,317	355,276	1,226,593
At 31 March 2016	893,177	449,233	1,342,410

4 Investment property

	2017 £
Fair value	
At 1 April 2016 and 31 March 2017	230,000

Investment property comprises a leasehold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the director, who is of the opinion that the market value of the investment property does not materially differ to the cost.

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

5 Fixed asset investments

	2017 £	2016 £
Investments	20	20

Fixed asset investments comprises shares in group undertakings.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2016 & 31 March 2017	20
Carrying amount	
At 31 March 2017	20
At 31 March 2016	20

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	829,798	984,262
Other debtors	329,605	591,451
	1,159,403	1,575,713

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	86,655	98,427
Trade creditors	1,244,511	1,659,580
Corporation tax	120,278	82,263
Other taxation and social security	121,430	79,766
Other creditors	189,747	292,550
	1,762,621	2,212,586

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	350,857	437,506
Other creditors	13,372	89,785
	<u>364,229</u>	<u>527,291</u>

A debenture is held over the assets of the company by HSBC Plc over all the Company's liabilities to them in relation to any kind and in any currency (whether present or future actual or contingent and whether incurred alone or jointly with another).

HSBC also hold legal mortgage charges in relation to the freehold of Unit 1 Talbot Green Business Park and the leasehold property, 3 Thomas Court, as well as a legal assignment of contract monies.

9 Directors transactions

Dividends totalling £264,081 (2016 - £308,256) were paid in the year in respect of shares held by the company's director.

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr W P Davies	-	(35,542)	335,745	(291,109)	9,094
		<u>(35,542)</u>	<u>335,745</u>	<u>(291,109)</u>	<u>9,094</u>

10 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid		
100 Ordinary of £1 each	<u>100</u>	<u>100</u>

11 Revaluation reserve

	2017 £	2016 £
At beginning of year	362,180	93,849
Revaluation surplus arising in the year	-	341,562
Deferred tax on revaluation of tangible assets	-	(73,231)
Other movements	(7,704)	-
At end of year	<u>354,476</u>	<u>362,180</u>

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

Notes	At 1 April 2015			At 31 March 2016		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets						
Tangible assets	987,011	-	987,011	1,342,410	-	1,342,410
Investment properties	-	-	-	230,000	-	230,000
Investments	40,120	-	40,120	20	-	20
	<u>1,027,131</u>	<u>-</u>	<u>1,027,131</u>	<u>1,572,430</u>	<u>-</u>	<u>1,572,430</u>
Current assets						
Stocks	259,851	-	259,851	485,473	-	485,473
Debtors	1,689,078	-	1,689,078	1,575,713	-	1,575,713
Bank and cash	505,866	-	505,866	153,085	-	153,085
	<u>2,454,795</u>	<u>-</u>	<u>2,454,795</u>	<u>2,214,271</u>	<u>-</u>	<u>2,214,271</u>
Creditors due within one year						
Loans and overdrafts	45,616	-	45,616	(133,969)	-	(133,969)
Finance leases	(50,497)	-	(50,497)	(43,292)	-	(43,292)
Taxation	(183,423)	-	(183,423)	(162,029)	-	(162,029)
Other creditors	(2,036,787)	(18,000)	(2,054,787)	(1,852,105)	(21,191)	(1,873,296)
	<u>(2,225,091)</u>	<u>(18,000)</u>	<u>(2,243,091)</u>	<u>(2,191,395)</u>	<u>(21,191)</u>	<u>(2,212,586)</u>
Net current assets	<u>229,704</u>	<u>(18,000)</u>	<u>211,704</u>	<u>22,876</u>	<u>(21,191)</u>	<u>1,685</u>
Total assets less current liabilities	<u>1,256,835</u>	<u>(18,000)</u>	<u>1,238,835</u>	<u>1,595,306</u>	<u>(21,191)</u>	<u>1,574,115</u>
Creditors due after one year						
Loans and overdrafts	(330,859)	-	(330,859)	(437,506)	-	(437,506)
Finance leases	(74,798)	-	(74,798)	(69,355)	-	(69,355)
Other creditors	-	-	-	(20,430)	-	(20,430)
	<u>(405,657)</u>	<u>-</u>	<u>(405,657)</u>	<u>(527,291)</u>	<u>-</u>	<u>(527,291)</u>
Provisions for liabilities						
Deferred tax	(43,481)	(42,360)	(85,841)	(85,686)	(115,591)	(201,277)
Net assets	<u>807,697</u>	<u>(60,360)</u>	<u>747,337</u>	<u>982,329</u>	<u>(136,782)</u>	<u>845,547</u>

HOSPITAL INNOVATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Reconciliations on adoption of FRS 102

(Continued)

Notes	At 1 April 2015			At 31 March 2016		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Capital and reserves						
Share capital	100	-	100	100	-	100
Revaluation reserve	136,209	(42,360)	93,849	477,771	(115,591)	362,180
Profit and loss	671,388	(18,000)	653,388	504,458	(21,191)	483,267
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total equity	807,697	(60,360)	747,337	982,329	(136,782)	845,547
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to reconciliations on adoption of FRS 102

Holiday pay Accrual

FRS 102 requires the provision of the holiday pay accrued at the year end. Previously under UK GAAP, this was not required to be recognised. Transition to FRS 102 resulted in a provision of a holiday pay accrual of £18,000 as at 1 April 2015 and £21,191 at 31 March 2016. As a result of this adjustment the comparative profit reduced by £3,191.

Deferred tax

Under FRS 102 deferred taxation is required to be recognised on the temporary difference arising between the fair value and the tax base of the revalued properties. A deferred taxation charge of £115,591 arose on transition to FRS 102. In the year ending 31 March 2016 there was a deferred tax charge of £73,231 relating to the fair value gain on revalued properties.

To assist in the identification of non distributable profits, the deferred taxation charges relating to the fair value gains on investment and freehold properties through the profit and loss have been transferred from retained earnings to the revaluation reserve.