Company Registration No. 02144993 (England and Wales)

1ST CALL MOBILITY LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

VENTHAMS

1ST CALL MOBILITY LTD

COMPANY INFORMATION

Directors	Mr K. Ibrahim	
	Mr P. Lyon	(Appointed 29 June 2017)
	Mr S. Gill	(Appointed 19 February 2018)
	Mrs B. Fitt	(Appointed 12 February 2018)
Secretary	Mr S. Gill	
Company number	02144993	
Registered office	ArjoHuntleigh House Houghton Hall Business Park Dunstable Bedfordshire UK LU5 5XF	
Auditor	Venthams Millhouse 32-38 East Street Rochford Essex SS41DB	
Business address	Baros House Elizabeth Way Harlow Essex CM19 5AR	

1ST CALL MOBILITY LTD

CONTENTS

1ST CALL MOBILITY LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present the strategic report for the year ended 31 December 2017.

Fair review of the business

Overview
The company continues to successfully provide the sale and hire of bariatric equipment to its customers which are based in the UK. With depots strategically situated across the UK, 1st Call Mobility Ltd is able to service its customers in a timely fashion with some of the most innovative equipment on the global market.

Performance
The directors consider the performance of the Company during the year to have been acceptable and expect this to continue in to the future.

The company will continue to work hard in order to maintain its margins and improve productivity in what is a very competitive market. This will be essential for improving our momentum going into the next year. The company's overall objective is to be a sustainable business which is profitable for the next ten years and beyond.

Key performance indicators
The company consider the following to be key performance indicators of the business:-

	2017	2016	Movement
	£	£	%
Turnover	9,056,630	8,528,352	+6.2
Profit on ordinary activities before taxation	4,553,620	4,070,199	+7.8

Principal risks and uncertainties
Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board are implemented by the company's finance department.

Liquidity and cash flow risks
To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future growth developments the company maintains a strong working capital position and has access to long and short term debt finance.

Currency risks
Payments as a result of sales income and expenses for goods sold in foreign currencies cause currency exposure that affects the company profits in the event of exchange rate fluctuations. Major currencies such as Euro and US Dollar are hedged by Arjo AB (the ultimate parent) to mitigate this risk. Group foreign exchange rates are set at the start of the period based on the hedged rates available and the company is able to buy and sell money at these rates internally and all intragroup trade is conducted using these rates to minimise any foreign exchange exposure.

Credit risks
The company's principal financial assets are bank balances and cash, trade and other receivables. Commercial credit risks are limited by a diverse, creditworthy customer base. The largest customer is the NHS which is inherently low risk. The company has no concentration of credit risk on sale or hire of goods to third parties. It controls this risk by ensuring it is not dependent on one customer.

Price risks

The company is subject to price risk on sale or hire of goods to third parties. It controls this risk by ensuring it is not dependent on one customer.

On behalf of the board

14/09/18

Mr S. Gill
Director

Date

1ST CALL MOBILITY LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and financial statements for the year ended 31 December 2017.

Principal activities
The principal activity of the company continued to be that of the sale and rental of bariatric equipment to the NHS and Social Services.

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

Mr H. Hadani	(Resigned 31 October 2017)
Mr R. Bloom	(Resigned 29 June 2018)
Ms A. Forde	(Resigned 29 June 2017)
Mr K. Ibrahim	
Mr W. Dorrian	(Appointed 29 June 2017 and resigned 29 June 2018)
Mr P. Lyon	(Appointed 29 June 2017)
Mr S. Gill	(Appointed 19 February 2018)
Mrs B. Fitt	(Appointed 12 February 2018)

Results and dividends
The results for the year are set out on page 7.
Ordinary dividends were paid amounting to £1,000,000. The directors do not recommend payment of a final dividend.

Directors' insurance
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor
The auditor, Venthams, is deemed to be reappointed under section 487(2) 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

On behalf of the board

14/09/18

Mr S. Gill
Director

Date

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 1ST CALL MOBILITY LTD

Opinion

We have audited the financial statements of 1st Call Mobility Ltd for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of 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 strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Venthams.

Mr Trevor McCarthy (Senior Statutory Auditor)
for and on behalf of Venthams
Chartered Accountants
Statutory Auditor
Millhouse
32-38 East Street
Rochford
Essex
SS41DB

21/09/2018
Date

1ST CALL MOBILITY LTD

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 as restated £
Turnover	3	9,056,631	8,528,352
Cost of sales		(3,555,053)	(2,948,801)
Gross profit		5,501,578	5,579,551
Distribution costs		(431,362)	(882,798)
Administrative expenses		(521,898)	(631,095)
Other operating income		-	2,385
Operating profit	4	4,548,318	4,068,043
Interest receivable and similar income	7	5,264	6,811
Interest payable and similar expenses	8	38	(4,655)
Profit before taxation		4,553,620	4,070,199
Tax on profit	9	(908,098)	(816,331)
Profit for the financial year		3,645,522	3,253,868
Retained earnings brought forward		7,621,816	5,972,448
Dividends	10	(1,000,000)	(1,604,500)
Retained earnings carried forward		10,267,338	7,621,816

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

1ST CALL MOBILITY LTD

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	**12**		912,416		861,638
Current assets					
Stocks	**13**	323,779		142,091	
Debtors	**14**	2,373,452		2,777,629	
Cash at bank and in hand		8,909,721		5,389,533	
		11,606,952		8,309,253	
Creditors: amounts falling due within one year	**15**	(1,531,508)		(1,455,403)	
Net current assets			10,075,444		6,853,850
Total assets less current liabilities			10,987,860		7,715,488
Provisions for liabilities	**16**		(720,322)		(93,472)
Net assets			10,267,538		7,622,016
Capital and reserves					
Called up share capital	**19**		200		200
Profit and loss reserves			10,267,338		7,621,816
Total equity			10,267,538		7,622,016

The financial statements were approved by the board of directors and authorised for issue on 14/09/18 and are signed on its behalf by:

Mr S. Gill
Director

Company Registration No. 02144993

1 Accounting policies

Company information

1st Call Mobility Ltd is a private company limited by shares incorporated in England and Wales. The registered office is ArjoHuntleigh House, Houghton Hall Business Park, Dunstable, Bedfordshire, UK, LU5 5XF.

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.

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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Under FRS 102 section 1.12, the company is exempt from the requirement to prepare a cashflow statement on the grounds that a parent undertaking includes the company in its owned published consolidated financial statements.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

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.

1.4 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:

Plant and machinery	20% Straight line
Fixtures, fittings and equipment	25% Straight line & 33.3% Straight line
Motor vehicles	20% Straight line
Rental assets	20% 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 recognised in the profit and loss account.

1 Accounting policies **(Continued)**

1.5 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.

1.6 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.

1.7 Cash and cash equivalents

Cash at bank and in hand 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.

1.8 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.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

1 Accounting policies **(Continued)**

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 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.

1.10 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 Accounting policies **(Continued)**

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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

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 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover analysed by class of business		
Mobility Sales	-	45,000
Bariatric Sales	1,357,167	1,176,222
Bariatric Hire	7,699,464	7,307,130
	9,056,631	8,528,352

	2017	2016
	£	£
Other significant revenue		
Interest income	5,264	6,811

	2017	2016
	£	£
Turnover analysed by geographical market		
Sales - UK	9,056,631	8,528,352

4 Operating profit

	2017	2016
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange (gains)/losses	(86,469)	58,658
Fees payable to the company's auditor for the audit of the company's financial statements	15,000	13,000
Depreciation of owned tangible fixed assets	341,483	282,115
Impairment of owned tangible fixed assets	-	43,153
Loss/(profit) on disposal of tangible fixed assets	14,779	(45,279)
Cost of stocks recognised as an expense	879,581	1,039,016
Operating lease charges	258,708	188,208

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Directors	-	2
Depot and sales	37	37
Administrative	5	5
Other	8	4
	50	48

	2017 £	2016 £
Wages and salaries	1,657,118	1,545;309
Social security costs	142,032	146,866
Pension costs	49,662	36,182
	1,848,812	1,728,357

6 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	-	81,868
Company pension contributions to defined contribution schemes	-	1,605
	-	83,473

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2016 - 3).

7 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Other interest income	5,264	6,811

8 Interest payable and similar expenses

	2017	2016
	£	£
Interest on finance leases and hire purchase contracts	-	955
Other interest	(38)	3,700
	(38)	4,655

9 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	975,716	909,214
Deferred tax		
Origination and reversal of timing differences	(67,618)	(92,883)
Total tax charge	908,098	816,331

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Profit before taxation	4,553,620	4,070,199
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	876,417	814,040
Tax effect of expenses that are not deductible in determining taxable profit	54,100	3,418
Effect of change in corporation tax rate	-	(237)
Other non-reversing timing differences	(22,419)	-
Other permanent differences	-	(890)
Taxation charge for the year	908,098	816,331

The following taxation rates are expected to apply in future years:
Year ended 31st December 2018: 19%
Year ended 31st December 2019: 19%

10 Dividends

	2017	2016
	£	£
Interim paid	1,000,000	1,604,500

11 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2017	2016
	£	£
In respect of:		
Freehold property	-	43,153
Recognised in:		
Cost of sales	-	43,153

The impairment loss relates to a freehold property which was owned by the company during the year but subsequently sold. An independent valuation was obtained by the company as at 30th March 2016 which resulted in an impairment of £43,153.

12 Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Rental assets	Total
	£	£	£	£	£
Cost					
At 1 January 2017	51,128	328,614	606,491	526,195	1,512,428
Additions	4,525	29,620	-	422,637	456,782
Disposals	(9,390)	(27,161)	(151,317)	(29,472)	(217,340)
Transfers	12,264	(12,264)	-	-	-
At 31 December 2017	58,527	318,809	455,174	919,360	1,751,870
Depreciation and impairment					
At 1 January 2017	34,649	216,363	338,356	61,422	650,790
Depreciation charged in the year	6,280	63,989	96,540	174,674	341,483
Eliminated in respect of disposals	(6,634)	(24,339)	(116,211)	(5,635)	(152,819)
Transfers	12,263	(12,263)	-	-	-
At 31 December 2017	46,558	243,750	318,685	230,461	839,454
Carrying amount					
At 31 December 2017	11,969	75,059	136,489	688,899	912,416
At 31 December 2016	16,479	112,251	268,135	464,773	861,638

More information on the impairment arising in the year is given in note 11.

13 Stocks

	2017	2016
	£	£
Finished goods and goods for resale	323,779	142,091

14 Debtors

Amounts falling due within one year:	**2017** £	**2016** £
Trade debtors	1,940,357	2,451,197
Other debtors	14,343	71,821
Prepayments and accrued income	278,432	167,234
	2,233,132	2,690,252
Deferred tax asset (note 17)	140,320	87,377
	2,373,452	2,777,629

15 Creditors: amounts falling due within one year

	2017 £	**2016** £
Trade creditors	166,959	169,826
Corporation tax	511,484	421,972
Other taxation and social security	456,172	517,473
Other creditors	113,865	184,785
Accruals and deferred income	283,028	161,347
	1,531,508	1,455,403

16 Provisions for liabilities

	Notes	**2017** £	**2016** £
Warranties		455,343	-
Dilapidations on leasehold properties		186,182	-
		641,525	-
Deferred tax liabilities	17	78,797	93,472
		720,322	93,472

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Warranties £	**Dilapidations on leasehold properties** £	**Total** £
Additional provisions in the year	455,343	186,182	641,525

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Balances:	Liabilities 2017 £	Liabilities 2016 £	Assets 2017 £	Assets 2016 £
Accelerated capital allowances	78,797	93,472	-	-
Provisions	-	-	140,320	87,377
	78,797	93,472	140,320	87,377

Movements in the year:	2017 £
Liability at 1 January 2017	6,095
Credit to profit or loss	(67,618)
Liability/(Asset) at 31 December 2017	(61,523)

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so.

18 Retirement benefit schemes

Defined contribution schemes	2017 £	2016 £
Charge to profit or loss in respect of defined contribution schemes	49,662	36,182

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
200 Ordinary Shares of £1 each	200	200
	200	200

20 ***Financial commitments, guarantees and contingent liabilities***

During 2017 an employee of the company obtained an injury whilst at work. There is currently ongoing litigation between the employee and the company. The likeiihood of the claim being successful is currently unknown. Similarly any compensation which could become payable as damages is also unknown.

21 **Operating lease commitments**

Lessee

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

	2017	2016
	£	£
Within one year	75,924	117,880
Between two and five years	148,560	222,650
In over five years	-	1,833
	224,484	342,363

22 **Related party transactions**

During the dividends totalling £1,000,000 (2016 - £Nil) were paid to Getinge Holdings Limited, the company's immediate parent up until the 14th June 2017.

23 **Directors' transactions**

Dividends totalling £Nil (2016: £1,604,500) were paid in the year in respect of shares held by former officers of the company.

24 **Controlling party**

From the 9th June 2016 until the 14th June 2017, Getinge AB, a company registered in Sweden, was the company's ultimate parent company by virtue of its shareholding in Getinge Holdings Limited, the company's immediate parent.

No individual has more than a 50% shareholding in Getinge AB.

From the 14th June 2017, Arjo AB, a company registered in Sweden, was the company's ultimate parent company by virtue of its shareholding in Huntleigh Technology Limited, the company's immediate parent. The smallest and largest group in which the results of the company are consolidated for the year ended 31 December 2017 is that headed by Arjo AB. Copies of these financial statements may be obtained from Arjo AB, 10 Hans Michelsensgatan, 211 20 Malmo, Sweden.

No individual has more than a 50% shareholding in Arjo AB.

25 Prior period adjustment

The prior period adjustment relates to the re-analysis of certain prior year profit and loss expenses which have been re-allocated to direct costs, distribution expenses and administation expenses in line with group policy. There has been no effect on the net profit or tax as a result of these adjustments.