

# Corporate Medical Management Limited

## REPORT AND FINANCIAL STATEMENTS

30 June 2010

THURSDAY



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COMPANIES HOUSE

Company Registration No 02707678

# Corporate Medical Management Limited

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# Corporate Medical Management Limited

## DIRECTORS AND ADVISORS

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### DIRECTORS

CP Baldwin  
M Baldwin (appointed 30 September 2009)  
RDH Munro  
MI Davis  
RE Floyd  
SJ Langan  
TA Smith  
PM Forster

### SECRETARY

RDH Munro

### REGISTERED OFFICE

The Courtyard  
Hall Lane  
Wincham  
Cheshire  
CW9 6DG

### AUDITORS

Baker Tilly UK Audit LLP  
Chartered Accountants  
Festival Way  
Stoke-on-Trent  
Staffordshire  
ST1 5BB

### BANKERS

National Westminster Bank PLC  
23 Stamford New Road  
Altrincham  
Cheshire  
WA14 1DB

### SOLICITORS

Chandler Harris  
25 Byrom Street  
Manchester  
M3 4PF

# Corporate Medical Management Limited

## DIRECTORS' REPORT

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The Directors submit their report and the financial statements of Corporate Medical Management Limited for the year ended 30 June 2010

### PRINCIPAL ACTIVITIES

The principal activities of the company are

- Claims management of private medical insurance and group income protection contracts and long term sickness absence management
- Occupational health

### REVIEW OF BUSINESS

The company reported an increase in turnover of 14%, due mainly to an increase in sales of occupational health services. Costs increased by 8% as additional resource was recruited to service the new contracts. Profit before tax increased by 165% to £233,807.

The directors are satisfied with the company's performance.

### RISKS AND UNCERTAINTIES

The board and management of the company manage the risks and uncertainties facing the group on a continuous basis. We consider the principal risks and uncertainties to be areas affecting FSA regulations and political changes which may have an effect on the products and services we provide.

Future risks faced by the company are price fluctuations and competition pressure.

We believe that we have sufficient controls and procedures in place to monitor, control, and react accordingly to the risks and challenges that we face and monitor these risks at board meetings and in the group's risk register.

### FINANCIAL INSTRUMENTS

The board uses management accounts and various financial reports to ensure that the following are reviewed and we are aware of any risk arising in any of the following areas:

**Price** – The board continually monitors the prices we set against those of our competitors. This ensures that we continue to be competitive in the market.

**Credit** - We have robust credit control procedures in place to ensure that all amounts due are paid promptly. We have a dedicated team who use the systems and procedures in place to diligently chase all outstanding monies and ensure that no significant bad debts occur.

**Liquidity** - Due to the nature of the business in which we operate, and also prudent history of management, we have minimal risk with regards to liquidity, supported by our stringent credit control procedures that we employ and also the tight management of the company cashflow. We take the appropriate action to minimise this risk.

# Corporate Medical Management Limited

## DIRECTORS' REPORT

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### FUTURE DEVELOPMENTS

The company will continue to offer the wide range of services we currently provide to our clients. We will also look to further develop our current product range so that we may evolve along with our customer needs and offer full solutions for their employee healthcare matters.

### DIVIDENDS

The directors recommend a final dividend on the ordinary shares of £nil (2009 £250,000). Interim dividends of £nil (2009 £nil) have been paid during the year.

### DIRECTORS

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

CP Baldwin  
M Baldwin (appointed 30 September 2009)  
RDH Munro  
MI Davis  
RE Floyd  
SJ Langan  
TA Smith  
PM Forster

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITORS

Baker Tilly UK Audit LLP, Chartered Accountants, were appointed auditors by the company. Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and therefore Baker Tilly UK Audit LLP will continue in office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



**RDH Munro**  
Secretary

9 March 2011

# Corporate Medical Management Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the 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 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORPORATE MEDICAL MANAGEMENT LIMITED

We have audited the financial statements on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2010 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.

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

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

*Baker Tilly UK Audit LLP*

Anne Lakin (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Festival Way

Stoke-on-Trent

Staffordshire

ST1 5BB

*30 March* 2011

# Corporate Medical Management Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 30 June 2010

	Notes	2010 £	2009 £
TURNOVER		<b>2,514,183</b>	2,205,304
Administrative expenses		<b>(2,280,376)</b>	(2,117,174)
OPERATING PROFIT	1 - 3	<b>233,807</b>	88,130
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<b>233,807</b>	88,130
Taxation	4	<b>(54,627)</b>	(22,632)
PROFIT FOR THE FINANCIAL YEAR	12	<b>179,180</b>	65,498

The turnover and operating profit for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account



# Corporate Medical Management Limited

## BALANCE SHEET

at 30 June 2010

	Note	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	6	104,657	76,637
<b>CURRENT ASSETS</b>			
Debtors	7	921,193	630,695
Cash at bank		260,192	740,929
		1,181,385	1,371,624
CREDITORS Amounts falling due within one year	8	(222,637)	(302,133)
<b>NET CURRENT ASSETS</b>		958,748	1,069,491
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,063,405	1,146,128
CREDITORS Amounts falling due after more than one year	9	-	(20,000)
DEFERRED INCOME		(709,627)	(701,530)
<b>NET ASSETS</b>		353,778	424,598
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	165,002	165,002
Profit and loss account	12	188,776	259,596
<b>SHAREHOLDERS FUNDS</b>		353,778	424,598

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

The financial statements on pages 6 to 17 were approved by the board and authorised for issue on 9 March 2011 and were signed on its behalf by -

  
RDH Munro  
Director

Company Registration No 02707678

**Corporate Medical Management Limited**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
for the year ended 30 June 2010

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	Note	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR		179,180	65,498
Dividends	5	(250,000)	-
NET (REDUCTION)/INCREASE IN SHAREHOLDERS' FUNDS		(70,820)	65,498
Opening shareholders funds		424,598	359,100
CLOSING SHAREHOLDERS' FUNDS		353,778	424,598

# Corporate Medical Management Limited

## ACCOUNTING POLICIES

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The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is exempt from the requirements of FRS 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of PMI Health Group Limited and its cash flows are included within the consolidated cash flow statement of that company

### GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The directors consider that the financial position of the company is positive with cash at the bank and a strong balance sheet. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### RELATED PARTY TRANSACTIONS

The company has, in accordance with FRS 8, taken advantage of the exemption from reporting the transactions between the company and certain of its related parties, since all of the voting rights are controlled by the group and the consolidated financial statements in which the company are consolidated are publicly available.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows -

Motor vehicles	- 20% straight line
Computer equipment	- 25% straight line
Fixtures, fittings and office equipment	- 25% straight line

### DEFERRED TAXATION

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are recognised if the directors consider the asset can be recovered with reasonable certainty.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### LEASED ASSETS AND OBLIGATIONS

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

# Corporate Medical Management Limited

## ACCOUNTING POLICIES

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### RETIREMENT BENEFITS

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### INSURANCE CREDITORS AND CASH

The company acts as appointed representative for Private Medicine Intermediaries Limited, in broking the insurable risks of clients and normally is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the legal relationship with clients and underwriters, the company has followed generally accepted accounting practice for insurance brokers by showing creditors and cash balances relating to its insurance business as assets and liabilities of the company itself unless net settlement can be secured beyond doubt. This complies with the reporting requirements under FRS 5 where assets and liabilities may not be offset unless net settlement is enforceable.

### TURNOVER

Turnover is recognised evenly over the life of a contract to ensure that the revenue recognised fairly matches the costs incurred in servicing those contracts and is stated net of Value Added Tax. Income received in advance is disclosed as deferred income on the balance sheet.

Turnover and pre tax profits are derived entirely from operations within the United Kingdom.

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

1	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2010 £	2009 £
	Profit on ordinary activities is stated after charging		
	Depreciation of owned fixed assets	36,512	44,798
	Operating leases – land and buildings	61,489	60,968
	Loss on disposal of fixed assets	35	23
	Audit services		
	- Statutory audit of accounts	6,950	6,850
		<u>          </u>	<u>          </u>
2	DIRECTORS' EMOLUMENTS	2010 £	2009 £
	Emoluments	240,699	251,884
	Pension fund contributions	29,419	15,124
		<u>          </u>	<u>          </u>
		270,118	267,008
		<u>          </u>	<u>          </u>
		2010 Number	2009 Number
	Members of defined contribution pension scheme	2	2
		<u>          </u>	<u>          </u>
		2010 £	2009 £
	Highest paid director		
	Emoluments	130,226	139,260
	Pension fund contributions	25,401	11,146
		<u>          </u>	<u>          </u>
		155,627	150,406
		<u>          </u>	<u>          </u>

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

3	STAFF COSTS	2010 £	2009 £
	Wages and salaries	1,131,066	1,051,305
	Social security costs	110,978	109,671
	Other pension costs	84,788	47,432
		<u>1,326,832</u>	<u>1,208,408</u>

The monthly average number of employees (including directors) during the year was as follows

	2010 Number	2009 Number
Medical staff	18	14
Management and administration	24	25
	<u>42</u>	<u>39</u>

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

4	<b>TAXATION</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	Current tax		
	UK corporation tax on profits for the year	<b>25,936</b>	21,456
	Adjustments in respect of previous years	<b>(8,856)</b>	711
	Payment for group relief	<b>28,796</b>	-
		<hr/>	<hr/>
	Total current tax (see below)	<b>45,876</b>	22,167
		<hr/>	<hr/>
	Deferred taxation		
	Origination and reversal of timing differences	<b>8,751</b>	(349)
	Adjustment in respect of prior period	-	814
		<hr/>	<hr/>
		<b>8,751</b>	465
		<hr/>	<hr/>
	Tax on profit on ordinary activities	<b>54,627</b>	22,632
		<hr/>	<hr/>
	Factors affecting tax charge for year	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
	The tax assessed for the year is lower than (2009 lower than) the standard rate of corporation tax in the UK 28% (2009 28%) The differences are explained below		
	Profit on ordinary activities before tax	<b>233,807</b>	88,130
		<hr/>	<hr/>
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 28% (2009 28%)	<b>65,466</b>	24,676
		<hr/>	<hr/>
	<i>Effects of</i>		
	Expenses not deductible for tax purposes	<b>21</b>	110
	Fixed asset timing differences	<b>(10,028)</b>	902
	Other timing differences	<b>1,277</b>	(553)
	Small companies relief	<b>(2,004)</b>	(3,679)
	Adjustment in respect of previous periods	<b>(8,856)</b>	711
		<hr/>	<hr/>
	Tax charge for year	<b>45,876</b>	22,167
		<hr/>	<hr/>

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

5	DIVIDENDS	2010 £	2009 £
	Proposed dividends in 2009 – paid in 2010 (151 51p per share (2009 nil))	<b>250,000</b>	-

6	TANGIBLE FIXED ASSETS				
		Motor vehicles	Computer equipment	Fixtures, fittings and office equipment	Total
		£	£	£	£
	<i>Cost</i>				
	At beginning of year	25,205	405,398	137,950	568,553
	Additions	-	50,600	13,967	64,567
	Transfer	-	16,509	(16,509)	-
	Disposals	-	(3,661)	(458)	(4,119)
	At end of year	25,205	468,846	134,950	629,001
	<i>Depreciation</i>				
	At beginning of year	7,143	372,782	111,991	491,916
	Charged in the year	5,041	22,793	8,678	36,512
	Transfer	-	6,104	(6,104)	-
	Disposals	-	(3,626)	(458)	(4,084)
	At end of year	12,184	398,053	114,107	524,344
	<i>Net book value</i>				
	<b>At 30 June 2010</b>	<b>13,021</b>	<b>70,793</b>	<b>20,843</b>	<b>104,657</b>
	At 30 June 2009	18,062	32,616	25,959	76,637

7	DEBTORS	2010 £	2009 £
	<i>Due within one year</i>		
	Trade debtors	<b>821,022</b>	514,600
	Amounts owed by group undertakings	<b>15,763</b>	460
	Deferred taxation (see note 10)	<b>2,829</b>	11,580
	Prepayments and accrued income	<b>65,653</b>	57,837
	Other debtors	<b>15,926</b>	46,218
		<b>921,193</b>	630,695



# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

8	CREDITORS Amounts falling due within one year	2010 £	2009 £
	Trade creditors	34,678	33,629
	Amounts owed to group undertakings	20,000	80,553
	Corporation tax	38,537	21,456
	Other taxation and social security costs	56,811	67,152
	Accruals and other creditors	72,611	99,343
		<u>222,637</u>	<u>302,133</u>
9	CREDITORS Amounts falling due after more than one year	2010 £	2009 £
	Amounts owed to group undertakings	-	20,000
		<u>-</u>	<u>20,000</u>
10	DEFERRED TAXATION		£
	Asset at beginning of year		11,580
	Charge in the year		(8,751)
	<b>Asset at end of year</b>		<u><b>2,829</b></u>
	The elements of deferred taxation are as follows		
		2010 £	2009 £
	Difference between accumulated depreciation and capital allowances	575	10,603
	Other timing differences	2,254	977
		<u>2,829</u>	<u>11,580</u>
	Deferred tax asset	<u>2,829</u>	<u>11,580</u>
11	SHARE CAPITAL	2010 £	2009 £
	Allotted, called up and fully paid 165,002 ordinary shares of £1 each	<u>165,002</u>	<u>165,002</u>

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

### 12 PROFIT AND LOSS ACCOUNT

	£
At beginning of year	259,596
Profit for financial year	179,180
Dividends paid	(250,000)
<b>At end of year</b>	<b>188,776</b>

### 13 PENSION COMMITMENTS

The company pays pension contributions to personal pensions of selected employees. The personal pensions are arranged with an insurance company separate to the business. Contributions outstanding at the year end totalled £8,049 (2009 £3,488).

### 14 COMMITMENTS

At 30 June the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2010 £	2009 £
Operating leases which expire in more than five years	52,600	52,600

### 15 RELATED PARTY TRANSACTIONS

#### *CP Baldwin Pension Trust*

The group rented certain properties from CP Baldwin's pension trust, rental for the year amounted to £61,489 (2009 £60,968)

The following creditor balances existed at the year end

	2010 £	2009 £
CP Baldwin Pension Trust	(8,900)	(8,900)

# Corporate Medical Management Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

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### 16 CONTINGENT LIABILITIES

All group companies are members of a VAT group together with the following companies which are all under the common control of Mr CP Baldwin

- Baldwin Ventures Limited
- Baldwin Enterprises Limited
- Baldwin Investments Limited
- Baldwin Estates Limited
- Argosy Systems Limited

At 30 June 2010 the VAT liability of the VAT group excluding that of the company was £nil (2009 £9,083)

The bank holds a debenture against the company incorporating a fixed and floating charge over the current and future assets of the company

### 17 PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The company's holding company is PMI Health Group Limited, a company incorporated in the United Kingdom. The company's ultimate parent company is Baldwin Ventures Limited, a company incorporated in the United Kingdom.

The largest group in which the results of the company are consolidated is that headed by Baldwin Ventures Limited. The smallest group in which the results of the company are consolidated is that headed by PMI Health Group Limited. The consolidated financial statements of these groups are available to the public and may be obtained from

Companies House  
Crown Way  
Cardiff  
CF4 3UZ