

Private Medicine Intermediaries Limited

REPORT AND FINANCIAL STATEMENTS

30 June 2014

Company Registration No. 02009675

TUESDAY

COMPANIES HOUSE



L44DAPNM

LD4

31/03/2015

#245

Private Medicine Intermediaries Limited

CONTENTS

DIRECTORS AND ADVISORS	1
STRATEGIC REPORT	2
DIRECTORS' REPORT	3
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS	5
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIVATE MEDICINE INTERMEDIARIES LIMITED	6
PROFIT AND LOSS ACCOUNT	7
BALANCE SHEET	8
RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS	9
ACCOUNTING POLICIES	10
NOTES TO THE FINANCIAL STATEMENTS	12

Private Medicine Intermediaries Limited

DIRECTORS AND ADVISORS

DIRECTORS

CP Baldwin
M Baldwin
RDH Munro
MI Davis
RE Floyd
MP Blake
IC Green

SECRETARY

RDH Munro

REGISTERED OFFICE

The Courtyard
Hall Lane
Wincham
Cheshire
CW9 6DG

AUDITOR

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

BANKER

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

SOLICITOR

Chandler Harris
25 Byrom Street
Manchester
M3 4PF

Private Medicine Intermediaries Limited

STRATEGIC REPORT

The directors have pleasure in submitting their Strategic Report for Private Medicine Intermediaries Limited for the year ended 30 June 2014. This report is a new legal requirement following its introduction in August 2013 by way of amendment to the Companies Act 2006.

REVIEW OF THE BUSINESS

The company reported a 7.4% increase in turnover and a 3.8% increase in costs during the year. Market conditions proved to be challenging as some clients reduced their numbers of employees and, as a consequence, some schemes reduced in size. Overall, profit before tax increased by £340,441 to £2,011,826.

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 company on a continuous basis. We consider the principal risks and uncertainties to be areas affecting FCA 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 in the market, supplier availability in respect of insurance companies and retention of certain key staff.

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 company's risk register.

FINANCIAL INSTRUMENTS

The board use 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 monitor 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.

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.

By order of the board


RDH Munro
Director

30 March 2015

Private Medicine Intermediaries Limited

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of Private Medicine Intermediaries Limited for the year ended 30 June 2014.

The directors have not disclosed the following sections of the director's report "Business review, financial instruments and risks and uncertainties" as these have been included within the Strategic Report on page 2.

PRINCIPAL ACTIVITIES

The principal activities of the company are:

- Broking, consultancy and risk management for employee health insurance;
- Supplying absence management software.

The company has continued to develop all of these services throughout the year in order to be able to meet the changing needs of its clients.

The company is regulated by the Financial Conduct Authority and has met its regulatory requirements throughout the year.

RESULTS AND DIVIDENDS

The results of the year are shown in the profit and loss account on page 7. During the year dividends of £2,300,000 (2013: £500,000) were paid. The Directors do not recommend any final dividend (2013: £nil).

DIRECTORS

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

CP Baldwin
M Baldwin
RDH Munro
MI Davis
RE Floyd
MP Blake
IC Green
SJ Langan (resigned 31 August 2013)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is unaware. Each of the directors have 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.

Private Medicine Intermediaries Limited

DIRECTORS' REPORT

AUDITOR

Baker Tilly UK Audit LLP, Chartered Accountants, were appointed auditor 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.

By order of the board



RDH Munro
Director

30 March 2015

Private Medicine Intermediaries Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and 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; and
- 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 PRIVATE MEDICINE INTERMEDIARIES LIMITED

We have audited the financial statements on pages 7 to 19. 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 auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 5, 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 and express an opinion on 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

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 2014 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 Strategic Report and 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.

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

31 March 2015

Private Medicine Intermediaries Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2014

	Note	2014 £	2013 (Restated, see note 6) £
TURNOVER		8,419,095	7,841,455
Administrative expenses		(6,414,695)	(6,181,019)
OPERATING PROFIT		2,004,400	1,660,436
Interest receivable and similar income	4	9,287	11,819
Interest payable and similar charges	5	(1,861)	(870)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1-5	2,011,826	1,671,385
Taxation	7	(382,511)	(395,415)
PROFIT FOR THE FINANCIAL YEAR	16	1,629,315	1,275,970

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.

Private Medicine Intermediaries Limited

BALANCE SHEET

at 30 June 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Intangible assets	9	24,072	-
Tangible assets	10	750,971	754,892
		<u>775,043</u>	<u>754,892</u>
CURRENT ASSETS			
Debtors	11	2,964,908	2,651,372
Cash at bank and in hand		964,447	2,020,918
		<u>3,929,355</u>	<u>4,672,290</u>
CREDITORS: Amounts falling due within one year	13	<u>(1,002,252)</u>	<u>(1,046,482)</u>
NET CURRENT ASSETS		<u>2,927,103</u>	<u>3,625,808</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,702,146</u>	<u>4,380,700</u>
PROVISION FOR LIABILITIES	14	-	(7,869)
NET ASSETS		<u>3,702,146</u>	<u>4,372,831</u>
CAPITAL AND RESERVES			
Called up share capital	15	688,790	688,790
Profit and Loss Account	16	3,013,356	3,684,041
SHAREHOLDERS' FUNDS		<u>3,702,146</u>	<u>4,372,831</u>

The financial statements on pages 7 to 19 were approved by the board of directors and authorised for issue on 30 March 2015 and are signed on its behalf by:


RDH Munro
Director

Company Registration No. 02009675

Private Medicine Intermediaries Limited
RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
for the year ended 30 June 2014

	Note	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR		1,629,315	1,275,970
Dividends	8	(2,300,000)	(500,000)
NET (REDUCTION IN)/ADDITION TO SHAREHOLDER'S FUNDS		<u>(670,685)</u>	<u>775,970</u>
Opening shareholder's funds		4,372,831	3,596,861
CLOSING SHAREHOLDER'S FUNDS		<u><u>3,702,146</u></u>	<u><u>4,372,831</u></u>

Private Medicine Intermediaries Limited

ACCOUNTING POLICIES

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 United Kingdom accounting standards.

The company is exempt from the requirement of Financial Reporting Standard ("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 Strategic and Directors' Reports. 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's results are consolidated are publicly available.

INTANGIBLE FIXED ASSETS

Expenditure on licences is capitalised at cost and written off over 5 years.

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:

Computer equipment	- 25% straight line
Motor vehicles	- 20% straight line
Fixtures, fittings and 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 substantively enacted by the Balance Sheet date. Deferred tax is measured on a non-discounted basis.

Private Medicine Intermediaries Limited

ACCOUNTING POLICIES

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.

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 an agent 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 represents commissions and fees earned via insurance premium contracts. Commission and fee income is recognised at the date the policy commences. Any subsequent adjustments to policy income are recognised when confirmed.

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

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

1	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2014 £	2013 £
	Profit on ordinary activities before taxation is stated after charging/(crediting):		
	Depreciation of owned fixed assets	293,577	232,850
	Amortisation of intangible assets	6,017	-
	Loss/(profit) on disposal of fixed assets	1,440	(5,973)
	Operating leases – land and buildings	105,732	105,732
	Audit services:		
	- Statutory audit of accounts	10,490	10,290
	Other services relating to taxation:		
	- Compliance services	1,575	1,575
		<u> </u>	<u> </u>
2	DIRECTORS' EMOLUMENTS	2014 £	2013 £
	Emoluments	742,267	765,709
	Sums paid to third parties for directors' services	359,206	295,857
	Pension fund contributions	32,371	35,832
		<u> </u>	<u> </u>
		1,133,844	1,097,398
		<u> </u>	<u> </u>
		2014 Number	2013 Number
	The number of directors to whom retirement benefits are accruing under:		
	Defined contribution pension schemes	5	5
		<u> </u>	<u> </u>
		2014 £	2013 £
	Highest paid director:		
	Emoluments	287,448	232,068
		<u> </u>	<u> </u>

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

3	STAFF COSTS	2014	2013
		£	£
	Wages and salaries	3,639,867	3,497,932
	Social security costs	374,126	372,052
	Other pension costs	250,469	265,439
		<u>4,264,462</u>	<u>4,135,423</u>

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

	2014	2013
	Number	Number
Management and administration	62	71
Sales	28	25
	<u>90</u>	<u>96</u>

4	INTEREST RECEIVABLE AND SIMILAR INCOME	2014	2013
		£	£
	Bank interest	9,287	11,819
		<u>9,287</u>	<u>11,819</u>

5	INTEREST PAYABLE AND SIMILAR CHARGES	2014	2013
		£	£
	Interest payable on corporation tax	1,861	870
		<u>1,861</u>	<u>870</u>

6 RECLASSIFICATION OF COMPARATIVES

The directors have reviewed the allocation and presentation of sales charges to a company within the group and consider it more appropriate to reflect this as Turnover rather than a reduction of Cost of Sales. The financial information for the year ended 30 June 2013 has been restated accordingly. The impact is shown below.

	2013	Adjustment	2013
	£	£	(As restated) £
Turnover	7,562,932	278,523	7,841,455
Cost of sales	(5,902,496)	(278,523)	(6,181,019)
	<u>7,562,932</u>	<u>278,523</u>	<u>7,841,455</u>

Overall the profit for the prior year remains unchanged.

Private Medicine Intermediaries Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

7	TAXATION	2014 £	2013 £
	Current tax:		
	UK corporation tax on profits for the year	470,556	367,897
	Adjustments in respect of previous years	(76,499)	3,848
		<hr/>	<hr/>
	Total current tax (see below)	394,057	371,745
		<hr/>	<hr/>
	Deferred taxation:		
	Origination and reversal of timing differences	(10,520)	17,824
	Adjustment in respect of previous period	(1,026)	5,846
		<hr/>	<hr/>
		(11,546)	23,670
		<hr/>	<hr/>
	Tax on profit on ordinary activities	382,511	395,415
		<hr/> <hr/>	<hr/> <hr/>
	 Factors affecting tax charge for year:	2014 £	2013 £
	The tax assessed for the year is lower than (2013: lower) than the average standard rate of corporation tax in the UK 22.5% (2013: 23.75%). The differences are explained below:		
	Profit on ordinary activities before tax	2,011,826	1,671,385
		<hr/>	<hr/>
	Profit on ordinary activities multiplied by average standard rate of corporation tax in the UK 22.5% (2013: 23.75%)	452,661	396,954
		<hr/>	<hr/>
	Effects of:		
	Expenses not allowable for tax purposes	22,397	14,428
	Fixed asset timing differences	(1,384)	(17,767)
	Other timing differences	13,095	(639)
	Research and development	(11,404)	-
	Adjustments in respect of previous years	(76,499)	3,848
	Capital in revenue	(4,381)	(55)
	Group relief	(428)	(25,024)
		<hr/>	<hr/>
	Tax charge for year	394,057	371,745
		<hr/> <hr/>	<hr/> <hr/>
8	DIVIDENDS	2014 £	2013 £
	Ordinary dividend	2,300,000	500,000
		<hr/> <hr/>	<hr/> <hr/>

In respect of the current year a dividend of 333.9p (72.6p per share) was paid to the shareholders.

Private Medicine Intermediaries Limited
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 30 June 2014

9 INTANGIBLE FIXED ASSETS

	Licences £
<i>Cost</i>	
At beginning of year	-
Additions	30,089
	<hr/>
At end of year	30,089
	<hr/>
<i>Amortisation</i>	
At beginning of year	-
Charged in the year	6,017
	<hr/>
At end of year	6,017
	<hr/>
<i>Net book value</i>	
At 30 June 2014	24,072
	<hr/> <hr/>
At 30 June 2013	-
	<hr/> <hr/>

10 TANGIBLE FIXED ASSETS

	Computer equipment £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>				
At beginning of year	996,942	504,308	360,723	1,861,973
Additions	185,888	137,949	33,247	357,084
Disposals	(4,329)	(180,482)	(8,553)	(193,364)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	1,178,501	461,775	385,417	2,025,693
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At beginning of year	606,927	181,370	318,784	1,107,081
Charged in the year	175,402	99,763	18,412	293,577
Disposals	(3,837)	(113,537)	(8,562)	(125,936)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	778,492	167,596	328,634	1,274,722
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 30 June 2014	400,009	294,179	56,783	750,971
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2013	390,015	322,938	41,939	754,892
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

11	DEBTORS	2014 £	2013 £
	<i>Due within one year:</i>		
	Trade debtors	2,265,111	2,022,234
	Amounts owed by group undertakings	534,716	413,384
	Prepayments and accrued income	161,404	215,754
	Deferred tax asset (see note 14)	3,677	-
		<hr/>	<hr/>
		2,964,908	2,651,372
		<hr/>	<hr/>

12 INSURANCE MONIES HELD

The company holds monies on behalf of its clients in statutory trust accounts in respect of insurance premiums of £338,574 (2013: £355,709) which are not included in the cash balances at the year end.

13	CREDITORS: Amounts falling due within one year	2014 £	2013 £
	Trade creditors	103,796	120,797
	Amounts owed to group undertakings	96,209	109,331
	Corporation tax	67,205	171,026
	Other taxes and social security costs	120,304	111,064
	Accruals and deferred income	614,738	534,264
		<hr/>	<hr/>
		1,002,252	1,046,482
		<hr/>	<hr/>

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

14	PROVISION FOR LIABILITIES	Deferred taxation £
	Liability at beginning of year	7,869
	Credit for the year	(11,546)
	Asset at end of year	(3,677)

The elements of deferred taxation are as follows:

	Provided	
	2014 £	2013 £
Difference between accumulated depreciation and capital allowances	10,866	11,082
Other timing differences	(14,543)	(3,213)
Deferred tax (asset)/liability	<u>(3,677)</u>	<u>7,869</u>

There is no unprovided deferred tax (asset)/liability.

15	SHARE CAPITAL	2014 £	2013 £
	Allotted, called up and fully paid: 688,790 ordinary shares of £1 each	688,790	688,790
16	PROFIT AND LOSS ACCOUNT		£
	At beginning of year		3,684,041
	Profit for financial year		1,629,315
	Dividends		(2,300,000)
	At end of year		<u>3,013,356</u>

17 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. The company also has a defined contribution pension scheme called the PMI Health Group Limited Group Personal Pension Scheme. The pension cost charge represents contributions payable by the company which amounted to £250,469 (2013: £265,439). Contributions outstanding at the year end totalled £12,888 (2013: £13,971).

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

18 COMMITMENTS

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire in more than five years	105,200	105,200

19 RELATED PARTY TRANSACTIONS

CP Baldwin Pension Trust

The group rented certain properties from CP Baldwin's pension trust, rental for the year amounted to £105,732 (2013: £105,732).

Hurlstone Management Limited

Mr MI Davis is a director and controlling shareholder of Hurlstone Management Limited.

During the year the company transacted with Hurlstone Management Limited. The nature of the trading activities and the relative values were as follows:

	2014	2013
	£	£
Professional and advisory services	38,040	38,040

At the year end there is a debtor of £2,437 owed to the company by Hurlstone Management Ltd (2013: £2,437).

All transactions are at a commercial arms length basis.

Baldwin Ventures Limited

During the year the group was recharged expenses aggregating to £251,983 (2013: £223,533) from Baldwin Ventures Limited, the parent company of PMI Health Group Limited. During the year the company recharged expenses of £14,830 (2013: £10,889) to Baldwin Ventures Limited. At the year end there is a balance owing to Baldwin Ventures Limited of £31,823 (2013: £32,988).

Baldwin Landscaping Limited

Mr CP Baldwin is a director and controlling shareholder of Baldwin Landscaping Limited.

During the year the company transacted with Baldwin Landscaping Limited. The nature of the trading activities and the relative values were as follows:

	2014	2013
	£	£
Gardening services	4,145	3,020

At the year end there is a creditor of £nil (2013: £516) owing by the company to Baldwin Landscaping Limited.

Private Medicine Intermediaries Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

20 CONTINGENT LIABILITIES

All group companies are members of a VAT group together with the following companies which are all under the common control of Baldwin Ventures Limited:

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

At 30 June 2014 the VAT liability of the VAT group excluding that of the company was £102,398 (2013: £17,871).

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

21 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.

At the balance sheet date the directors are of the opinion that there is no controlling party, however, following transactions post year end it is the opinion of the directors that M Baldwin is the controlling party.

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
CF14 3UZ