

Mediwell Systems Limited

Report and financial statements

Registered number SC 142547

31 August 2009

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Directors and company information

Directors	M Gregory (Chairman) T Ladbrooke M Kerins D Sealey G Mortiboys
Secretary	T Ladbrooke
Registered office	Gorman House James Street Righead Industrial estate Bellshill ML4 3YJ
Registered number	SC 142547
Auditors	KPMG LLP St Nicholas House Park Row Nottingham NG1 6FQ
Solicitors	Brechin Tindall Oates Solicitors 48 St Vincent Street Glasgow G2 5HS
Bankers	Bank of Scotland 9 Falkland Gate Glenrothes Fife KY7 5LW

Directors' report

The directors present their report and the financial statements of the company for the year ended 31 August 2009.

Results and dividends

The result for the year is shown in the attached profit and loss account. The directors do not recommend the payment of a dividend (2008: £nil).

Principal activities

Agents in particular products to the medical/health sector.

Directors and indemnity arrangements

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

M Gregory
T Ladbrooke
M Kerins
D Sealey
G Mortiboys – appointed 27 April 2010

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Disabled employees

The group gives full consideration to applications for employment from disabled persons where the candidates' particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the group's policy to provide continual employment wherever practical in the same or alternative position and to provide appropriate training to achieve this aim.

Directors' report *(continued)*

Employee involvement

The company encourages and values employee involvement within the business. This is achieved via a number of means including regular meetings between local management and employees to allow a free flow of information and ideas. The company, via its parent group, issues regular news letters, information sheets which are distributed and generally available via notice boards and the group intranet. All employees are encouraged to present their suggestions and views and participate directly in the success of the business through various bonus schemes where they can have a direct impact.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.



M Kerins
Director

28 May 2010

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditors' report to the members of Mediwell Systems Limited

We have audited the financial statements of Mediwell Systems Limited for the year ended 31 August 2009 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors' 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 explained more fully 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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.

Philip Charles (*Senior Statutory Auditor*)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St Nicholas House
Park Row
Nottingham NG1 6FQ

Dated: 28 May 2010

Profit and loss account
for the year ended 31 August 2009

	<i>Note</i>	2009 £000	2008 £000
Turnover	2	116	268
Cost of sales		(122)	(142)
Gross profit		(6)	126
Administrative expenses		(174)	(1)
Distribution expenses		(31)	(25)
(Loss)/profit on ordinary activities before taxation	3	(211)	100
Tax on (loss)/profit on ordinary activities	6	25	(28)
(Loss)/profit for the financial year	12	(186)	72

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account and therefore no statement of recognised gains and losses is required.

In both the current and preceding year, the company made no material acquisitions and had no discontinued operations.

Balance sheet
as at 31 August 2009

	<i>Note</i>	£000	2009 £000	£000	2008 £000
Fixed assets					
Tangible assets	7		44		-
Current assets					
Stocks	8	6		4	
Debtors	9	1		165	
Cash at bank and in hand		7		-	
		<u>14</u>		<u>169</u>	
Creditors: amounts falling due within one year	10	<u>(243)</u>		<u>(168)</u>	
Net current (liabilities)/assets			<u>(229)</u>		<u>1</u>
Net (liabilities)/assets			<u>(185)</u>		<u>1</u>
Capital and reserves					
Called up share capital	11		28		28
Profit and loss account	12		(213)		(27)
Shareholders' (deficit)/funds	13		<u>(185)</u>		<u>1</u>

These financial statements were approved by the board of directors on 28 May 2010 and were signed on their behalf by:



M Kerins
Director

Company registered number : SC 142547

Notes

forming part of the financial statements

1 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 preparation

The financial statements have been prepared under the historical cost convention on a going concern basis and in accordance with applicable accounting standards.

Going concern

These financial statements have been prepared on a going concern basis notwithstanding net liabilities of £185,000 as the company has obtained confirmation that its ultimate parent company will provide support such that the company can continue to meet its liabilities as they fall due for the foreseeable future and for at least 12 months from the date of the approval of these financial statements

Cash flow statement

Under FRS 1, the company is exempt from preparing a cash flow statement as it is a wholly owned subsidiary of Cromwell Group (Holdings) Limited which publishes consolidated financial statements that include Mediwell Systems Limited.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2 Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Turnover is attributable to one continuing activity, the supply of vending solutions to the medical sector and small medical related products.

An analysis of turnover by geographical market is given below:

	2009	2008
	£000	£000
United Kingdom	116	268

Notes (continued)

3 (Loss)/profit on ordinary activities before taxation

	2009 £000	2008 £000
<i>Operating (loss)/profit is stated after charging/(crediting):</i>		
Depreciation	8	-
<i>Auditors' remuneration:</i>		
- audit of these financial statements	-	-
	<u> </u>	<u> </u>

4 Staff numbers and costs

The aggregate payroll costs of these persons were as follows:

	2009 £000	2008 £000
Wages and salaries	125	8
Social security costs	16	2
Pension costs	5	-
	<u> </u>	<u> </u>
	146	10
	<u> </u>	<u> </u>

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

	Number of employees 2009	2008
Sales and administration	4	3
	<u> </u>	<u> </u>

5 Directors' emoluments

Directors' emoluments have been borne by the parent company, Cromwell Group (Holdings) Limited. The directors of the company are also directors of a number of the companies within the Cromwell Group. The directors services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 31 August 2009 and 31 August 2008.

6 Tax on (loss)/profit on ordinary activities

(a) Analysis of charge in the year

	2009 £000	2008 £000
UK corporation tax on income for the period	-	28
Adjustment in respect of prior years	(25)	-
	<u> </u>	<u> </u>
Total current tax	(25)	28
Deferred taxation	-	-
	<u> </u>	<u> </u>
Tax (credit)/charge on (loss)/profit on ordinary activities	(25)	28
	<u> </u>	<u> </u>

Notes (continued)

6 Tax on (loss)/profit on ordinary activities (continued)

(b) Factors affecting the tax charge for the current year

The current tax charge for the year is higher (2008: lower) than the standard rate of corporation tax in the UK of 28% (2008: 29.16%). The differences are explained below:

	2009 £000	2008 £000
<i>Current tax reconciliation:</i>		
(Loss)/profit on ordinary activities before tax	(211)	100
	<hr/>	<hr/>
Current tax at 28% (2008: 29.16%)	(59)	29
<i>Effects of:</i>		
Expenses not deductible for tax purposes	1	(1)
Surrender of losses to group companies	58	-
Adjustment in respect of prior years	(25)	-
	<hr/>	<hr/>
Total current tax (credit)/charge	(25)	28
	<hr/>	<hr/>

7 Fixed assets

	Fixtures and fittings £000	Motor vehicles £000	Total £000
<i>Cost:</i>			
At 1 September 2008	-	-	-
Additions	27	25	52
	<hr/>	<hr/>	<hr/>
At 31 August 2009	27	25	52
	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation:</i>			
At 1 September 2008	-	-	-
Charged in the year	3	5	8
	<hr/>	<hr/>	<hr/>
At 31 August 2009	3	5	8
	<hr/>	<hr/>	<hr/>
<i>Net book value:</i>			
At 31 August 2009	24	20	44
	<hr/>	<hr/>	<hr/>
At 31 August 2008	-	-	-
	<hr/>	<hr/>	<hr/>

8 Stocks

	2009 £000	2008 £000
Goods held for resale	6	4
	<hr/>	<hr/>

Notes (continued)

9 Debtors

	2009 £000	2008 £000
Trade debtors	-	29
Amounts owed by group undertakings	-	113
Prepayments and accrued income	1	23
	<u>1</u>	<u>165</u>

10 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Trade creditors	34	63
Amounts owed to group undertakings	203	73
Corporation tax	-	28
Other taxation and social security	5	3
Accruals and deferred income	1	1
	<u>243</u>	<u>168</u>

11 Called up share capital

	2009 £000	2008 £000
<i>Allotted, called up and fully paid</i>		
28,000 ordinary shares of £1 each	28	28
	<u>28</u>	<u>28</u>

12 Profit and loss account

	2009 £000	2008 £000
Opening balance	(27)	(99)
(Loss)/profit for the year	(186)	72
	<u>(213)</u>	<u>(27)</u>
At 31 August 2009	<u>(213)</u>	<u>(27)</u>

Notes (continued)

13 Reconciliation of movements in equity shareholders' (deficit)/funds

	2009 £000	2008 £000
(Loss)/profit for the year	(186)	72
Net movement in equity shareholders' (deficit)/funds	(186)	72
Opening equity shareholders' funds/(deficit)	1	(71)
Closing equity shareholders' (deficit)/funds	(185)	1

14 Related party transactions

There were no related party transactions during the period other than with group companies.

The company has taken advantage of the exemption in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

15 Ultimate parent and controlling company

The immediate parent company is Cromwell Group (Holdings) Limited, a company incorporated in the UK. The ultimate parent company is Cromwell Group (Holdings) Limited, a company incorporated in the UK. Copies of the financial statements of Cromwell Group (Holdings) Limited may be obtained from the Company Secretary, PO Box 14, Chartwell Drive, Wigston, Leicester, LE18 1AT.