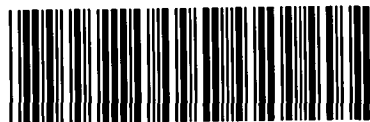


Financial Statements Practice Plan Limited

For the Year Ended 31 December 2017

Registered number: 03089948

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Company Information

Directors	N K Jones A J D'Arcy
Registered number	03089948
Registered office	Cambrian Works Gobowen Road Oswestry Shropshire SY11 1HS
Independent auditors	Ernst & Young LLP The Paragon Building Counterslip Bristol BS1 6BX
Bankers	HSBC Bank Plc Level 30 8 Canada Square London E14 5HQ
Solicitors	Addleshaw Goddard LLP One St Peters Square Manchester M2 3DE

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Strategic Report

For the Year Ended 31 December 2017

Introduction

The Directors present their strategic report on the Company for the year ended 31 December 2017.

Business review and future developments

The profit before taxation for the financial year was £1,714,222 (2016 - £1,610,247) which was in line with expectations for the year with the administration of dental plan membership schemes continuing to perform well despite a challenging private dental sector and macroeconomic conditions. The profit after taxation for the financial year was £697,751 (2016 - £1,731,837).

Total shareholders' funds at the end of the financial year were £20,923,885 (2016: £20,226,134).

The Directors remain positive regarding future growth prospects and feel confident that they are well placed to capitalise on the economic upturn and forecast sector changes when they arise.

Practice Plan continues with its commitment to invest in its people, systems and customer service.

Principal risks and uncertainties

The company uses various financial instruments, these include inter-group loans, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below. No transactions of a speculative nature are undertaken.

The main risks arising from the company's financial instruments are credit risk, liquidity risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies remain unchanged from previous years.

Credit risk

The company's principal financial assets are cash and intercompany debtors. The nature of the company's working capital cycle is such that trade debtors, and thus credit risk, are minimal. In addition, the credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. In regards to intercompany balances credit risk is actively monitored by management.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Currency risk

Most of the company's transactions are denominated in Great Britain Pounds (GBP). Exposure to currency exchange rates arise from the company's purchases in euro. Exposure to exchange rates arises from changes in the spot exchange rate of the euro to the GBP from the date of origin of the transaction until payment. The exposure to such risks is considered to be negligible as the transactions in euro are limited only to certain administrative expenses, the total value of which is not considered significant.

Practice Plan Limited

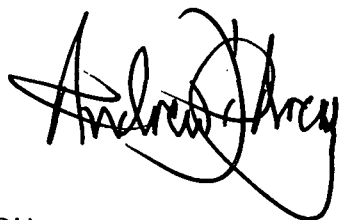
Strategic Report

For the Year Ended 31 December 2017

Financial key performance indicators

Key performance indicators are established and monitored at a Group level, details of which are set out in the Group's financial statements.

This report was approved by the Board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'A J D'Arcy', with a large, stylized flourish at the end.

A J D'Arcy
Director

Date: 29 March 2018

Directors' Report (continued)

For the Year Ended 31 December 2017

The Directors present their report and the Audited Financial Statements for the year ended 31 December 2017.

Principal activity

The principal activities of the company during the year was the provision of a direct debit collection and administration service for dental practice patient membership schemes together with business and marketing support, training and workshops.

Results and dividends

The profit for the financial year amounted to £697,751 (2016 - £1,731,837).

No dividends have been proposed (2016 - £Nil).

Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

N K Jones
A J D'Arcy

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Directors' Report (continued)

For the Year Ended 31 December 2017

Disclosure of information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Indemnity provision

During the year the company took out a qualifying third party indemnity provision for the benefit of the Directors.

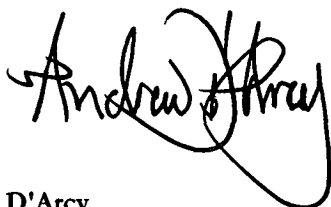
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Board of approval

The Statement of Directors' responsibilities in respect of the financial statements on page 3 and the financial statements on pages 8 to 21 were approved on 29 March 2018 by the Board of Directors who authorised A J D'Arcy to sign the financial statements on behalf of the Board.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Andrew D'Arcy', with a large, stylized flourish at the end.

A J D'Arcy
Director

Date: 29 March 2018

Independent Auditor's Report to the Members of Practice Plan Limited

Opinion

We have audited the financial statements of Practice Plan Limited for the year ended 31 December 2017 which comprise Statement of Income and Retained Earnings, the Balance Sheet and the related notes 1 to 20, 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 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 below. 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.

Use of our 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.

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.

Independent Auditor's Report to the Members of Practice Plan Limited

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the 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 the audit:

- 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; and
- the strategic report and 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 or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 3, 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.

Independent Auditor's Report to the Members of Practice Plan Limited

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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Ernst & Young LLP,

Andy Blackmore (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

Date: 29 March 2018

Statement of Income and Retained Earnings

For the Year Ended 31 December 2017

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Turnover	2	8,928,078	8,418,844
Cost of sales		(106,900)	(123,457)
Gross profit		8,821,178	8,295,387
Administrative expenses		(7,112,537)	(6,696,444)
Operating profit	3	1,708,641	1,598,943
Interest receivable and similar income	6	5,581	11,304
Profit before taxation		1,714,222	1,610,247
Tax (charge) credit on profit	7	(1,016,471)	121,590
Profit for the financial year		<u>697,751</u>	<u>1,731,837</u>
Retained earnings at the beginning of the year		19,966,484	18,234,647
Profit for the financial year		697,751	1,731,837
Retained earnings at the end of the year		<u>20,664,235</u>	<u>19,966,484</u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings.

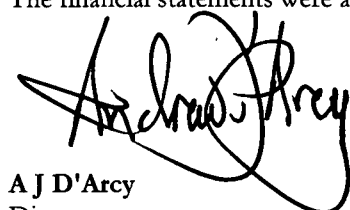
The notes on pages 10 to 21 form part of these financial statements.

Balance Sheet

As at 31 December 2017

	Note	31 December 2017 £	31 December 2016 £
Fixed assets			
Intangible assets	8	1,383,892	1,644,293
Tangible assets	9	616,678	689,157
Investments	10	1,303,420	1,303,420
		<u>3,303,990</u>	<u>3,636,870</u>
Current assets			
Debtors: amounts falling due within one year	11	32,181,306	27,389,069
Cash at bank and in hand		200,678	2,974,539
		<u>32,381,984</u>	<u>30,363,608</u>
Creditors: amounts falling due within one year	12	(14,762,089)	(13,774,344)
Net current assets		<u>17,619,895</u>	<u>16,589,264</u>
Total assets less current liabilities		<u>20,923,885</u>	<u>20,226,134</u>
Net assets		<u><u>20,923,885</u></u>	<u><u>20,226,134</u></u>
Capital and reserves			
Called up share capital	14	981	981
Share premium account		258,669	258,669
Profit and loss account		20,664,235	19,966,484
Total shareholders' funds		<u><u>20,923,885</u></u>	<u><u>20,226,134</u></u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



A J D'Arcy
 Director
 Date: 29 March 2018

The notes on pages 10 to 21 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1. Accounting policies

1.1 Company information

Practice Plan Limited, a private company limited by shares and incorporated in the United Kingdom, registered office being Cambrian Works, Gobowen Road, Oswestry, Shropshire, SY11 1HS.

The principal activity of the company is providing direct debit collection and administration services for dental practice patient membership schemes together with business and marketing support, training and workshops.

1.2 Statement of compliance

The individual financial statements of Practice Plan Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

1.3 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards and Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been consistently applied to all the years presented.

1.4 Basis of consolidation

The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Wesleyan Assurance Society. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.5 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1. Accounting policies (continued)

1.6 Turnover

Turnover represents the total amount receivable by the company for the provision of direct debit collection services and other support services to clients. It also includes insurance commission and insurance profit share from a related party company that provides dental insurance to individuals. Turnover excludes VAT and trade discounts and is recognised in the period in which the services are provided.

Commission is recognised as earned, based on an agreed percentage of premiums collected in the period.

Profit share is calculated as a fixed percentage of the related party company's results and is estimated based on monthly results, with an annual adjustment based on the full year results.

1.7 Goodwill and amortisation

Amortisation is calculated so as to write off the cost of the goodwill over its useful economic life which is as follows:

Goodwill - 10 years

Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the statement of income and retained earnings.

1.8 Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation and any provision for impairment. Amortisation is provided at rates calculated to write off the cost of the assets, less their estimated residual value, over their expected useful lives on the following bases:

Software costs - 20% - 33% reducing balance

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property - 10% - 15% straight line

Fixtures, fittings and equipment - 20% - 33% reducing balance

1.10 Operating Leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.11 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1. Accounting policies (continued)

1.12 Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, intercompany balances, cash and bank balances are initially recognised at the transaction price and subsequently measured at the undiscounted amount of the cash or other consideration expected to be received (net of any impairment) unless the arrangements constitute, in effect a financing transaction.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, intercompany loans and bank loans are initially recognised at the transaction price and subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid (net of any impairment) unless the arrangements constitute, in effect a financing transaction. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial assets or liabilities that are financing transactions are initially measured at the present value of the future receipts discounted at a market rate of interest and are subsequently carried at amortised cost, using the effective interest rate method.

1.13 Provision for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks, time value of money and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.15 Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1. Accounting policies (continued)

1.16 Current taxation

The current tax charge is based on the profit for the period and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date.

1.17 Deferred taxation

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

1.18 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the tangible fixed assets, and note 1.9 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the carrying amount of debtors.

(iii) Useful economic life of goodwill

Goodwill is capitalised in the balance sheet at cost and amortised through the profit and loss account on a straight-line basis over its useful economic life of 10 years, being the period over which the Directors estimate that the value of the underlying business is expected to exceed the value of the underlying assets. Goodwill is reviewed annually for indicators of impairment. In assessing whether there are indicators of impairment the Directors undertake an annual assessment of the future expected cashflows (discounted) of the underlying business. See note 7 for the carrying amount of goodwill.

Notes to the Financial Statements

For the Year Ended 31 December 2017

2. Turnover

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Rendering of services	6,085,943	6,004,584
Commissions	1,420,494	1,187,106
Other	1,421,641	1,227,154
	<u>8,928,078</u>	<u>8,418,844</u>

3. Operating profit

The operating profit is stated after charging:

	Note	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Depreciation of tangible assets	9	158,857	135,316
Loss on disposal of tangible fixed assets		5,064	-
Loss on disposal of intangible fixed assets		421	-
Amortisation of intangible assets, including goodwill	8	358,593	349,436
Audit fees payable to company's auditors		18,500	13,256
Other services pursuant to legislation		17,500	6,736
Exchange loss		3,211	3,019
Operating lease costs - plant and equipment		122,103	142,162
Defined contribution pension cost	4	<u>193,193</u>	<u>186,783</u>

4. Wages and salaries

Staff costs, including Directors' remuneration, were as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Wages and salaries	3,233,756	3,054,020
Social security costs	297,724	282,719
Other pension costs	193,193	186,783
	<u>3,686,673</u>	<u>3,523,522</u>

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

	Year ended 31 December 2017 No.	Year ended 31 December 2016 No.
Number of staff	<u>91</u>	<u>85</u>

Notes to the Financial Statements

For the Year Ended 31 December 2017

5. Directors' remuneration

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Remuneration receivable	454,792	492,556
Company contributions to company pension schemes	10,988	10,772
	<u>465,780</u>	<u>503,328</u>

During the year retirement benefits were accruing to 2 Directors (2016: 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £317,311 (2016: £315,803).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £Nil (2016: £Nil).

Key management remuneration

Key management includes Directors and members of senior management. The remuneration paid or payable to key management for employee services is shown below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Remuneration receivable	709,855	741,959
Company contributions to company pension schemes	46,724	55,242
	<u>756,579</u>	<u>797,201</u>

6. Interest receivable and similar income

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Bank interest receivable	<u>5,581</u>	<u>11,304</u>

Notes to the Financial Statements

For the Year Ended 31 December 2017

7. Taxation

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Corporation tax		
UK corporation tax charge on profits for the year	448,620	-
Adjustments in respect of previous periods	528,465	(56,552)
Total current tax	<u>977,085</u>	<u>(56,552)</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	37,342	(37,825)
Effect of tax rate change	-	8,371
Adjustment in respect of prior period	2,044	(35,584)
Total deferred tax	<u>39,386</u>	<u>(65,038)</u>
Tax charge / (credit) on profit	<u>1,016,471</u>	<u>(121,590)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Profit before taxation	<u>1,714,222</u>	<u>1,610,247</u>
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	329,987	322,049
Effects of:		
Expenses not deductible for tax purposes	155,975	100,631
Adjustments in respect of prior periods	530,509	(92,136)
Effect of tax rate change	-	8,371
Group relief	-	(460,505)
Total tax charge for the year	<u>1,016,471</u>	<u>(121,590)</u>

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2017

8. Intangible assets

	Software £	Goodwill £	Total £
Cost			
At 1 January 2017	934,367	3,048,939	3,983,306
Additions	98,613	-	98,613
Disposals	(11,050)	-	(11,050)
At 31 December 2017	<u>1,021,930</u>	<u>3,048,939</u>	<u>4,070,869</u>
Accumulated amortisation			
At 1 January 2017	644,201	1,694,812	2,339,013
Disposals	(10,629)	-	(10,629)
Charge for the year	112,388	246,205	358,593
At 31 December 2017	<u>745,960</u>	<u>1,941,017</u>	<u>2,686,977</u>
Net book value			
At 31 December 2017	<u>275,970</u>	<u>1,107,922</u>	<u>1,383,892</u>
At 31 December 2016	<u>290,166</u>	<u>1,354,127</u>	<u>1,644,293</u>

Goodwill relates to the acquired trade, assets and liabilities of Isoplan UK Limited, a subsidiary undertaking, by the Company on 29 June 2012 at net book value. The resulting goodwill is being amortised over 10 years.

Software relates to various applications and databases purchased or developed by the Company which it does not deem to be tangible hardware assets and so are therefore separately disclosed as intangible assets.

9. Tangible assets

	Leasehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2017	709,929	574,227	1,284,156
Additions	-	91,442	91,442
Disposals	-	(68,740)	(68,740)
At 31 December 2017	<u>709,929</u>	<u>596,929</u>	<u>1,306,858</u>
Accumulated depreciation			
At 1 January 2017	232,516	362,483	594,999
Disposals	-	(63,676)	(63,676)
Charge for the year	74,854	84,003	158,857
At 31 December 2017	<u>307,370</u>	<u>382,810</u>	<u>690,180</u>
Net book value			
At 31 December 2017	<u>402,559</u>	<u>214,119</u>	<u>616,678</u>
At 31 December 2016	<u>477,413</u>	<u>211,744</u>	<u>689,157</u>

Notes to the Financial Statements

For the Year Ended 31 December 2017

10. Investments

	Investments in subsidiary companies £
Cost	
At 1 January 2017 and 31 December 2017	1,303,420
Net book value	
At 31 December 2017	<u>1,303,420</u>
At 31 December 2016	<u>1,303,420</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Isoplan Limited	Ordinary	100 %	Holding company
Medenta Finance Limited	Ordinary	100 %	Financial credit granting

Isoplan Limited has two subsidiaries, Isoplan UK Limited, a company registered in Scotland, and Isoplan International Limited, a company registered in England and Wales.

The registered office for Isoplan Limited, Isoplan UK Limited and Medenta Finance Limited is 50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ.

The registered office for Isoplan International Limited is Cambrian Works, Gobowen Road, Oswestry, Shropshire, SY11 1HS.

11. Debtors: Amounts falling due within one year

	31 December 2017 £	31 December 2016 £
Trade debtors	19,701	21,217
Amounts owed by group undertakings	32,032,069	27,068,417
Corporation tax recoverable	-	124,384
Deferred taxation (see note 13)	38,619	78,005
Prepayments and accrued income	90,917	97,046
	<u>32,181,306</u>	<u>27,389,069</u>

The amounts relating to group undertakings are interest free, unsecured and repayable on demand.

Notes to the Financial Statements

For the Year Ended 31 December 2017

12. Creditors: Amounts falling due within one year

	31 December 2017 £	31 December 2016 £
Trade creditors	155,278	104,385
Amounts owed to group undertakings	13,550,318	12,955,498
Other taxation and social security	212,462	189,734
Corporation tax payable	322,220	-
Accruals and deferred income	521,811	524,727
	<u>14,762,089</u>	<u>13,774,344</u>

The amounts relating to group undertakings are interest free, unsecured and repayable on demand.

13. Deferred taxation

	31 December 2017 £
At beginning of year	78,005
Charged to the profit or loss account (see note 7)	(39,386)
At end of year (note 11)	<u>38,619</u>

The deferred tax asset is made up as follows:

	31 December 2017 £	31 December 2016 £
Excess of taxation allowances over depreciation on fixed assets	21,300	31,104
Tax losses carried forward and other deductions	17,319	46,901
	<u>38,619</u>	<u>78,005</u>

14. Called up share capital

	31 December 2017 £	31 December 2016 £
Shares classified as equity		
Allotted, called up and fully paid		
981 Ordinary shares of £1 each (2016: 981)	<u>981</u>	<u>981</u>

Notes to the Financial Statements

For the Year Ended 31 December 2017

15. Capital commitments

The company had no capital commitments as at 31 December 2017 or 31 December 2016

16. Retirement benefits

Defined contribution scheme

From July 2014 employees and directors were members of the Wesleyan Assurance Society Staff Group Personal Pension Scheme. The scheme is included as part of the total assets and liabilities of Wesleyan Assurance Society.

The pension cost for the year recognised in the profit and loss account amounted to £193,193 (2016: £186,783) these costs are recharged from Wesleyan Administration Services Limited, an associated Group company.

17. Commitments under operating leases

At 31 December the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings	Other	Land and buildings	Other
	31 December 2017	31 December 2017	31 December 2016	31 December 2016
	£	£	£	£
Within 1 year	110,500	1,794	110,500	11,463
Between 2 and 5 years	442,000	-	442,000	1,794
After 5 years	64,458	-	174,958	-
	<u>616,958</u>	<u>1,794</u>	<u>727,458</u>	<u>13,257</u>

18. Other financial commitments

The Company had no other financial commitments as at 31 December 2017 or 31 December 2016.

19. Related party transactions

The Company has taken advantage of the exemption within FRS 102, paragraph 33.1a, relating to subsidiary undertakings which are 100% owned by the Group and whose financial statements are publicly available. Therefore, no transactions with fellow subsidiary undertakings, or with the Ultimate Parent Company, Wesleyan Assurance Society, have been disclosed.

The Ultimate Parent Company has guaranteed the Company's liabilities.

Notes to the Financial Statements

For the Year Ended 31 December 2017

20. Ultimate parent company and controlling party

Practice Plan Group Limited is the company's controlling related party by virtue of owning 100% of the issued share capital.

Wesleyan Assurance Society is the company's ultimate parent company by virtue of it being the ultimate parent company of Practice Plan Group Limited. Wesleyan Assurance Society is incorporated by Private Act of Parliament and registered in England. Copies of the consolidated financial statements of Wesleyan Assurance Society may be obtained from the Company Secretary at Wesleyan Assurance Society, Colmore Circus, Birmingham, West Midlands, B4 6AR.