

REGISTERED NUMBER: 00755641 (England and Wales)

Strategic Report, Report of the Directors and

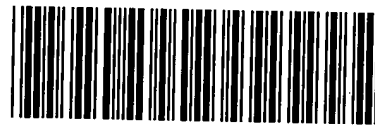
Financial Statements

for the Year Ended 31 March 2016

for

Ivor Shaw Limited
Pennine Healthcare

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Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

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for the Year Ended 31 March 2016

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Ivor Shaw Limited
Pennine Healthcare

Company Information
for the Year Ended 31 March 2016

DIRECTORS:

Mrs E J Fothergill
I M Shaw
D N Shaw
L Fryer

REGISTERED OFFICE:

City Gate
London Road
Derby
Derbyshire
DE24 8WY

REGISTERED NUMBER:

00755641 (England and Wales)

AUDITORS:

Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Strategic Report
for the Year Ended 31 March 2016

REVIEW OF BUSINESS

Ivor Shaw Limited trading as Pennine Healthcare specialises in the production of sterile products for anaesthetic, respiratory, gastroenterology, urology and surgical suction applications as well as manufacturing customised theatre packs for a wide variety of surgical procedures.

The company reported a good financial performance in the year, with a 1.9% increase in sales, although a slight decrease in pre-tax profit due to additional costs and price pressure in the market.

Results for the company show a pre-tax profit of £1.1m (2015 - £1.1m) for the year and sales of £29.1m (2015 - £28.6m) reflecting new contract awards. Net cash increased for 2016 by £168k (2015 - £530k).

Research and development

Continuing investment in research and development is key to the success of the business. Through bespoke machinery designed by a technical engineering team split in-house and outsourced to Riverside, the company is able to retain control over product manufacturing methods and can readily adapt its product offering to respond swiftly to new markets and advances in surgical techniques.

Future outlook

The economic situation in the Eurozone is expected to impact more on export revenues from European distributors than in 2016. The company continues to explore and develop other overseas markets to compensate for the increased risk in the Eurozone and has recently appointed distributors in the Middle East.

Despite these challenges, excellent opportunities remain for the development of both our core and new business and we are confident that we will maintain our performance.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company relate to competition from low-cost manufacturing economies; foreign currency fluctuations; and changes in regulatory framework.

Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that no further analysis using KPIs is required to provide an appreciation of the development, performance or position of the company's performance.

Financial risk management objectives and policies

The company uses basic financial instruments, comprising bank borrowings and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to maintain finance for operations. The main risks arising from the financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below:

Interest rate risk

The company finances its operations through a mixture of retained profits, a director's loan and bank borrowings. The company manages its exposure to interest rate fluctuations on its overdraft on a daily basis.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. Primarily this was achieved through bank borrowings and a director's loan. The policy throughout the period has been to ensure continuity of funding and short term flexibility was achieved by overdraft facilities.

Strategic Report
for the Year Ended 31 March 2016

EMPLOYMENT POLICIES

Within the bounds of confidentiality, staff at all levels are kept fully informed of matters that affect the progress of the company and are of interest to them as employees.

Disabled persons are given full and fair consideration for all types of vacancy. If an existing employee becomes disabled, such steps as are practical and reasonable are taken to retain him/her in employment.

Where appropriate, assistance with rehabilitation and suitable training are given. Disabled persons have equal opportunities for training, career development and promotion, except insofar as such opportunities are constrained by the practical limitations of their disability.

GOVERNANCE

Luke Fryer remains Chief Executive and is responsible for the day to day running of the business. Elizabeth Fothergill continues to assume the responsibility of Chair providing strategic guidance to the overall company and board.

ON BEHALF OF THE BOARD:



.....
Mrs E J Fothergill - Director

Date:7.9.16.....

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Report of the Directors
for the Year Ended 31 March 2016

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

DIVIDENDS

An interim dividend of £87.45627 per share was paid on 4 June 2015. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2016 will be £700,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

Mrs E J Fothergill
I M Shaw
D N Shaw
L Fryer

CHARITABLE CONTRIBUTIONS

During the year the company paid charitable donations of £5,489 to various small local charities.

DISCLOSURE IN THE STRATEGIC REPORT

The matters required to be disclosed under SI (2008) 410 Sch. 7 relating to financial instruments, research and development and employees are contained within the Strategic Report as is applicable in accordance with s414C(11) of the Companies Act 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ivor Shaw Limited (Registered number: 00755641)

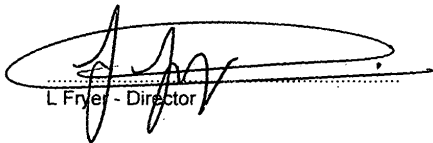
Pennine Healthcare

Report of the Directors
for the Year Ended 31 March 2016

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


.....
L Fryer - Director

Date: 7.9.2016

**Report of the Independent Auditors to the Members of
Ivor Shaw Limited**

We have audited the financial statements of Ivor Shaw Limited for the year ended 31 March 2016 on pages eight to twenty seven. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page four, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Strategic Report and the Report of the Directors 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.

Ian Neal FCA CTA (Senior Statutory Auditor)
for and on behalf of Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

- 8 SEP 2016

Date:

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Profit and Loss Account
for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
TURNOVER	2	29,106,175	28,554,793
Cost of sales		23,129,005	22,903,031
GROSS PROFIT		5,977,170	5,651,762
Distribution costs		2,499,678	2,121,246
Administrative expenses		2,384,705	2,434,131
		4,884,383	4,555,377
OPERATING PROFIT	4	1,092,787	1,096,385
Interest payable and similar charges	5	30,907	30,964
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,061,880	1,065,421
Tax on profit on ordinary activities	6	214,607	184,400
PROFIT FOR THE FINANCIAL YEAR		847,273	881,021

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		847,273	881,021
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>847,273</u>	<u>881,021</u>

The notes form part of these financial statements

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Balance Sheet
31 March 2016

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		27,953		37,287
Tangible assets	9		1,286,074		1,435,926
Investments	10		5		5
			<hr/>		<hr/>
			1,314,032		1,473,218
CURRENT ASSETS					
Stocks	11	3,427,753		2,864,032	
Debtors	12	6,405,978		6,312,032	
Cash at bank and in hand		67,008		261,547	
		<hr/>		<hr/>	
		9,900,739		9,437,611	
CREDITORS					
Amounts falling due within one year	13	5,927,936		5,701,492	
		<hr/>		<hr/>	
NET CURRENT ASSETS			3,972,803		3,736,119
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>		<hr/>
			5,286,835		5,209,337
CREDITORS					
Amounts falling due after more than one year	14		(29,031)		(92,806)
PROVISIONS FOR LIABILITIES	18		(152,000)		(158,000)
NET ASSETS			<hr/>		<hr/>
			5,105,804		4,958,531
CAPITAL AND RESERVES					
Called up share capital	19		8,004		8,004
Retained earnings	20		5,097,800		4,950,527
SHAREHOLDERS' FUNDS			<hr/>		<hr/>
			5,105,804		4,958,531

The financial statements were approved by the Board of Directors on 7 SEP 2016 and were signed on its behalf by:


 Mrs E J Fothergill - Director

The notes form part of these financial statements

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Statement of Changes in Equity
for the Year Ended 31 March 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	8,004	4,519,506	4,527,510
Changes in equity			
Dividends	-	(450,000)	(450,000)
Total comprehensive income	-	881,021	881,021
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2015	8,004	4,950,527	4,958,531
	<hr/>	<hr/>	<hr/>
Changes in equity			
Dividends	-	(700,000)	(700,000)
Total comprehensive income	-	847,273	847,273
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2016	8,004	5,097,800	5,105,804
	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	25	1,188,003	1,287,577
Interest paid		(16,697)	(32,462)
Interest element of hire purchase payments paid		(14,210)	1,498
Tax paid		(149,836)	(126,401)
Net cash from operating activities		<u>1,007,260</u>	<u>1,130,212</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(96,972)	(259,763)
Sale of tangible fixed assets		850	-
Net cash from investing activities		<u>(96,122)</u>	<u>(259,763)</u>
Cash flows from financing activities			
Loan repayments in year		(183,972)	(50,000)
Capital repayments in year		(83,492)	(86,027)
Amount introduced by directors		140,035	950,000
Amount withdrawn by directors		84,540	(704,676)
Equity dividends paid		(700,000)	(450,000)
Net cash from financing activities		<u>(742,889)</u>	<u>(340,703)</u>
Increase in cash and cash equivalents		<u>168,249</u>	<u>529,746</u>
Cash and cash equivalents at beginning of year	26	(503,538)	(1,033,284)
Cash and cash equivalents at end of year	26	<u><u>(335,289)</u></u>	<u><u>(503,538)</u></u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Ivor Shaw Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has not prepared consolidated financial statements under Sections 402 and 495 of the Companies Act 2006 as its sole subsidiary undertaking is dormant and has no trading assets or any liabilities.

Turnover

Turnover represents net invoiced sales of goods excluding VAT plus finished goods stock allocated to a binding order awaiting despatch to the customer, which includes relevant costs, overheads and attributable profit based on sales value at the balance sheet date.

Amounts recoverable on contracts are valued at anticipated net sales value of allocated finished goods after provision for contingencies and anticipated future losses.

Goodwill

The deemed goodwill arising on the subsidiary acquired in 2008 is being amortised over 10 years from April 2009.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The 'assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Assets in the course of construction	- not provided
Plant and machinery	- 10% - 20% on cost
Fixtures and office equipment	- 10% - 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES - continued

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost represents the purchase invoice value of materials on a first in first out basis. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

At each reporting date, stock is assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to sell. The impairment loss is recognised immediately in profit or loss.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable total profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is recognised only when it is more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences and losses can be deducted.

Provision is made at current rates for taxation deferred in respect of all material timing differences.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

The company uses derivative financial instruments to reduce exposure to foreign exchange risk, the company does not hold or issue derivatives for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period using the effective rate of interest. The capital element of the future payments is treated as a liability.

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution plan for its employees and a self administered scheme for its directors. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Fixed asset investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Judgements in applying accounting policies and key estimation uncertainties

In the application of the company's accounting policies the directors are required to make judgement estimates and assumptions about the carrying amounts of the company's assets and liabilities. These are based on historical experience and other factors that are considered relevant and are reviewed on a regular basis and recognised in the period in which the estimate is revised. Actual results may differ from these estimates.

The following are the critical judgements and where relevant the key sources of estimation uncertainty.

Tangible fixed assets are depreciated over their useful economic lives taking in to account their residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

The recoverability of debtors is assessed on the likelihood and circumstances of the particular cost.

The value of stock is assessed for impairment. In re-assessing the stock value, factors such as slow movement and obsolescence are taken in to account.

In making its judgement as to revenue recognition management considered the detailed criteria set out in FRS 102 section 23 Revenue and in particular where the company had transferred to the buyer the significant risks and rewards of ownership of goods made to order.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
UK	21,104,322	20,910,994
EU	5,508,570	5,548,235
Rest of the world	2,493,283	2,095,564
	<u>29,106,175</u>	<u>28,554,793</u>

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

3. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	7,186,897	6,574,917
Social security costs	553,765	516,037
Other pension costs	130,353	129,726
	<u>7,871,015</u>	<u>7,220,680</u>

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

	2016	2015
Management and administration	41	45
Production	246	242
Selling and distribution	65	68
	<u>352</u>	<u>355</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	411,500	411,500
Depreciation - owned assets	199,745	238,884
Depreciation - assets on hire purchase contracts	46,487	54,110
(Profit)/loss on disposal of fixed assets	(258)	3,790
Goodwill amortisation	9,334	9,333
Auditors' remuneration	8,900	12,600
Auditors' remuneration for non audit work	20,304	24,219
Research and development	117,270	74,093
Plant, equipment and vehicle operating leases	118,521	96,946
Foreign exchange differences	24,971	72,717
	<u>366,020</u>	<u>293,327</u>

The remuneration receivable by auditors for non audit work includes payroll, accountancy and taxation compliance.

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	<u>268,023</u>	<u>199,344</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	4,487	17,573
Director's loan interest	12,210	14,889
Hire purchase and finance lease interest	14,210	(1,498)
	<u>30,907</u>	<u>30,964</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	197,000	151,000
Tax under (over) provided in prior years	23,607	(2,600)
Total current tax	220,607	148,400
Deferred tax:		
Origination and reversal of timing differences	(6,000)	36,000
Tax on profit on ordinary activities	214,607	184,400

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	1,061,880	1,065,421
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	212,376	223,738
Effects of:		
Expenses not deductible for tax purposes	9,179	5,148
Capital allowances in excess of depreciation	-	(54,663)
Depreciation in excess of capital allowances	9,248	-
Adjustments to tax charge in respect of previous periods	23,607	(2,600)
Research and development enhanced deduction	(30,490)	(19,449)
Short term timing differences	(3,313)	(1,831)
Marginal relief	-	(1,943)
Deferred tax	(6,000)	36,000
Total tax charge	214,607	184,400

7. DIVIDENDS

	2016 £	2015 £
Interim	700,000	450,000

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2015	
and 31 March 2016	93,300
AMORTISATION	
At 1 April 2015	56,013
Amortisation for year	9,334
At 31 March 2016	65,347
NET BOOK VALUE	
At 31 March 2016	27,953
At 31 March 2015	37,287

9. TANGIBLE FIXED ASSETS

	Assets in the course of construction £	Plant and machinery £	Fixtures and office equipment £
COST			
At 1 April 2015	320,105	2,414,333	186,409
Additions	57,209	16,505	15,176
Disposals	-	(722,375)	(61,588)
Reclassification/transfer	(16,609)	-	-
At 31 March 2016	360,705	1,708,463	139,997
DEPRECIATION			
At 1 April 2015	-	1,506,117	132,272
Charge for year	-	170,098	12,743
Eliminated on disposal	-	(721,971)	(61,400)
At 31 March 2016	-	954,244	83,615
NET BOOK VALUE			
At 31 March 2016	360,705	754,219	56,382
At 31 March 2015	320,105	908,216	54,137

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

9. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2015	112,633	158,103	3,191,583
Additions	-	8,082	96,972
Disposals	-	(1,862)	(785,825)
Reclassification/transfer	-	16,609	-
	<hr/>	<hr/>	<hr/>
At 31 March 2016	112,633	180,932	2,502,730
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2015	33,539	83,729	1,755,657
Charge for year	22,338	41,053	246,232
Eliminated on disposal	-	(1,862)	(785,233)
	<hr/>	<hr/>	<hr/>
At 31 March 2016	55,877	122,920	1,216,656
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2016	<u>56,756</u>	<u>58,012</u>	<u>1,286,074</u>
At 31 March 2015	<u>79,094</u>	<u>74,374</u>	<u>1,435,926</u>

The net book value of tangible fixed assets includes £163,227 (2015 - £268,165) in respect of assets held under hire purchase contracts.

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 April 2015 and 31 March 2016	886,575	166,211	1,052,786
	<hr/>	<hr/>	<hr/>
PROVISIONS			
At 1 April 2015 and 31 March 2016	886,571	166,210	1,052,781
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2016	<u>4</u>	<u>1</u>	<u>5</u>
At 31 March 2015	<u>4</u>	<u>1</u>	<u>5</u>

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

10. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Pennine Healthcare Ltd
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		4	4

11. STOCKS

	2016	2015
	£	£
Raw materials	2,240,744	2,014,044
Work-in-progress	701,725	477,026
Finished goods	485,284	372,962
	<u>3,427,753</u>	<u>2,864,032</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	5,542,361	5,092,524
Amounts recoverable on contracts	498,097	878,475
Other debtors	20,596	40,652
Directors' current accounts	18,191	140,035
Prepayments	326,733	160,346
	<u>6,405,978</u>	<u>6,312,032</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank loans and overdrafts (see note 15)	402,297	765,085
Other loans (see note 15)	350,000	533,972
Hire purchase contracts (see note 16)	63,403	83,120
Trade creditors	3,705,458	3,194,712
Tax	221,771	151,000
Social security and other taxes	340,223	364,610
Other creditors	191,337	226,805
Directors' current accounts	102,731	-
Accrued expenses	550,716	382,188
	<u>5,927,936</u>	<u>5,701,492</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Hire purchase contracts (see note 16)	<u>29,031</u>	<u>92,806</u>

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

15. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Bank overdrafts	402,297	765,085
Director's loan account	350,000	533,972
	<u>752,297</u>	<u>1,299,057</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2016 £	2015 £
Net obligations repayable:		
Within one year	63,403	83,120
Between one and five years	29,031	92,806
	<u>92,434</u>	<u>175,926</u>

	Non-cancellable operating leases 2016 £	2015 £
Within one year	585,970	523,695
Between one and five years	446,362	730,514
In more than five years	-	1,039
	<u>1,032,332</u>	<u>1,255,248</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank overdrafts	402,297	765,085
Hire purchase contracts	92,434	175,926
	<u>494,731</u>	<u>941,011</u>

The hire purchase liabilities are secured on the assets to which they relate.

A bank overdraft facility repayable on demand, is secured by way of an unlimited debenture providing a fixed and floating charge over the company's assets.

Ivor Shaw Limited (Registered number: 00755641)
Pennine Healthcare

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

18. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax		
Accelerated capital allowances	<u>152,000</u>	<u>158,000</u>
		Deferred tax
		£
Balance at 1 April 2015		158,000
Provided during year		<u>(6,000)</u>
Balance at 31 March 2016		<u>152,000</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2016 £	2015 £
8,004	Ordinary	£1	<u>8,004</u>	<u>8,004</u>

20. RESERVES

	Retained earnings £
At 1 April 2015	4,950,527
Profit for the year	847,273
Dividends	<u>(700,000)</u>
At 31 March 2016	<u>5,097,800</u>

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year there was a net advance to a director of £18,191.

The amount is interest free and repayable upon demand.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

22. RELATED PARTY DISCLOSURES

During the year, total dividends of £700,000 (2015 - £450,000) were paid to the directors.

The directors maintain current and loan accounts with the company. At the balance sheet date the amount owing from and to the directors is shown in the debtors and creditors notes respectively. The current account balances are repayable upon demand. A loan to one of the directors ceased in the year and was repayable in quarterly instalments on demand of £50,000 with interest on the balance due at 8% for the year above bank base rate. The gross interest for the year was £720 (2015 - £5,018). £Nil (2015 - £371) was outstanding at the year end. Another loan to one of the directors is repayable on demand in full with interest on the balance due at 2.5%. The gross interest for the year was £11,490 (2015 - £9,871). £2,387 (2015 - £4,144) was outstanding at the year end.

Transactions were made during the year with companies in which two of the directors have an interest as a director and a shareholder.

Goods and services were provided during the year ended 31 March 2016 as follows:-

Sales	Purchases	Debtors	Creditors
£	£	£	£
200,708	602,649	65,281	121,061

The following amounts relate to the year ended 31 March 2015:-

Sales	Purchases	Debtors	Creditors
£	£	£	£
201,335	817,558	23,441	158,597

A pension scheme, of which two of the directors are trustees and members, leased property to the company for £411,500 (2015 - £411,500).

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mrs E J Fothergill.

24. EMPLOYEE BENEFITS

Included in the notes to the financial statements are payments to the defined contribution pension scheme of £130,353 (2015: £129,726).

25. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016 £	2015 £
Profit before taxation	1,061,880	1,065,421
Depreciation charges	255,566	302,327
(Profit)/loss on disposal of fixed assets	(258)	3,790
Finance costs	30,907	30,964
	<hr/>	<hr/>
	1,348,095	1,402,502
(Increase)/decrease in stocks	(563,721)	122,552
Increase in trade and other debtors	(215,790)	(292,049)
Increase in trade and other creditors	619,419	54,572
	<hr/>	<hr/>
Cash generated from operations	1,188,003	1,287,577

Ivor Shaw Limited (Registered number: 00755641)
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

26. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2016

	31.3.16 £	1.4.15 £
Cash and cash equivalents	67,008	261,547
Bank overdrafts	(402,297)	(765,085)
	<u>(335,289)</u>	<u>(503,538)</u>

Year ended 31 March 2015

	31.3.15 £	1.4.14 £
Cash and cash equivalents	261,547	68,077
Bank overdrafts	(765,085)	(1,101,361)
	<u>(503,538)</u>	<u>(1,033,284)</u>

27. FRS 102 TRANSITION

The following adjustment arose at the transition date of 1 April 2014 as a result of a change in the calculation of hire purchase interest from a straight line basis to an effective rate basis.

Reconciliation of Equity
1 April 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	8	46,620	-	46,620
Tangible assets	9	1,304,047	-	1,304,047
Investments	10	5	-	5
		<u>1,350,672</u>	<u>-</u>	<u>1,350,672</u>
CURRENT ASSETS				
Stocks	11	2,986,584	-	2,986,584
Debtors	12	5,879,948	-	5,879,948
Cash at bank and in hand		68,077	-	68,077
		<u>8,934,609</u>	<u>-</u>	<u>8,934,609</u>
CREDITORS				
Amounts falling due within one year	13	(5,592,436)	9,195	(5,583,241)
NET CURRENT ASSETS		<u>3,342,173</u>	<u>9,195</u>	<u>3,351,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,692,845</u>	<u>9,195</u>	<u>4,702,040</u>
CREDITORS				
Amounts falling due after more than one year	14	(60,383)	7,853	(52,530)
PROVISIONS FOR LIABILITIES	18	(122,000)	-	(122,000)
NET ASSETS		<u>4,510,462</u>	<u>17,048</u>	<u>4,527,510</u>
CAPITAL AND RESERVES				
Called up share capital	19	8,004	-	8,004
Retained earnings	20	4,502,458	17,048	4,519,506
SHAREHOLDERS' FUNDS		<u>4,510,462</u>	<u>17,048</u>	<u>4,527,510</u>

The notes form part of these financial statements

Reconciliation of Equity - continued**31 March 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	8	37,287	-	37,287
Tangible assets	9	1,435,926	-	1,435,926
Investments	10	5	-	5
		<u>1,473,218</u>	<u>-</u>	<u>1,473,218</u>
CURRENT ASSETS				
Stocks	11	2,864,032	-	2,864,032
Debtors	12	6,312,032	-	6,312,032
Cash at bank and in hand		261,547	-	261,547
		<u>9,437,611</u>	<u>-</u>	<u>9,437,611</u>
CREDITORS				
Amounts falling due within one year	13	(5,706,721)	5,229	(5,701,492)
NET CURRENT ASSETS		<u>3,730,890</u>	<u>5,229</u>	<u>3,736,119</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,204,108</u>	<u>5,229</u>	<u>5,209,337</u>
CREDITORS				
Amounts falling due after more than one year	14	(104,165)	11,359	(92,806)
PROVISIONS FOR LIABILITIES	18	<u>(158,000)</u>	<u>-</u>	<u>(158,000)</u>
NET ASSETS		<u>4,941,943</u>	<u>16,588</u>	<u>4,958,531</u>
CAPITAL AND RESERVES				
Called up share capital	19	8,004	-	8,004
Retained earnings	20	4,933,939	16,588	4,950,527
SHAREHOLDERS' FUNDS		<u>4,941,943</u>	<u>16,588</u>	<u>4,958,531</u>

The notes form part of these financial statements

Reconciliation of Profit
for the Year Ended 31 March 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	28,554,793	-	28,554,793
Cost of sales	(22,903,031)	-	(22,903,031)
GROSS PROFIT	5,651,762	-	5,651,762
Distribution costs	(2,121,246)	-	(2,121,246)
Administrative expenses	(2,434,131)	-	(2,434,131)
OPERATING PROFIT	1,096,385	-	1,096,385
Interest payable and similar charges	(37,504)	6,540	(30,964)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,058,881	6,540	1,065,421
Tax on profit on ordinary activities	(177,400)	(7,000)	(184,400)
PROFIT FOR THE FINANCIAL YEAR	881,481	(460)	881,021

The notes form part of these financial statements