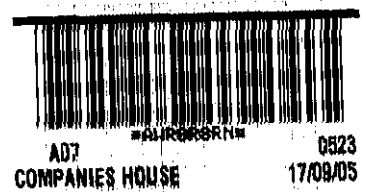


Abbreviated Accounts  
for the Year Ended 31 March 2005  
for  
Ivor Shaw Limited



**Ivor Shaw Limited**

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**for the Year Ended 31 March 2005**

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**Ivor Shaw Limited**

**Company Information**  
**for the Year Ended 31 March 2005**

**DIRECTORS:**

Mrs J P H Shaw  
Mrs E J Fothergill  
I M Shaw  
D N Shaw  
J Chacksfield  
Mrs J Sugden

**SECRETARY:**

Mrs S P Johnson

**REGISTERED OFFICE:**

300 City Gate  
London Road  
Derby  
DE24 8WY

**REGISTERED NUMBER:**

755641 (England and Wales)

**AUDITORS:**

Bates Weston  
Chartered Accountants  
Registered Auditors  
The Mills  
Canal Street  
Derby  
DE1 2RJ

## Ivor Shaw Limited

### Report of the Directors for the Year Ended 31 March 2005

The directors present their report with the accounts of the company for the year ended 31 March 2005.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture and distribution of medical products.

#### **REVIEW OF BUSINESS**

*The results for the year and financial position of the company are as shown in the annexed accounts.*

The directors are disappointed with the year's results due to a very competitive and price conscious market. The directors anticipate this situation will remain for the foreseeable future and are taking steps to reduce costs and increase productivity wherever possible.

#### **DIVIDENDS**

The directors do not recommend the payment of a dividend.

#### **DIRECTORS**

The directors during the year under review were:

Mrs J P H Shaw	
Mrs E J Fothergill	
I M Shaw	
D N Shaw	
A A Woods	- resigned 15.3.05
J Chacksfield	
Mrs J Sugden	- appointed 2.4.04

The beneficial interests of the directors holding office on 31 March 2005 in the issued share capital of the company were as follows:

	31.3.05	1.4.04 or date of appointment if later
<b>Ordinary £1 shares</b>		
Mrs J P H Shaw	400	400
Mrs E J Fothergill	4,202	4,202
I M Shaw	-	-
D N Shaw	3,402	3,402
J Chacksfield	-	-
Mrs J Sugden	-	-

#### **DONATIONS**

During the year the company paid charitable donations of £1,184.

#### **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.

The company is committed to giving full and fair consideration to applicants for employment who are disabled and for continuing the employment of those who become disabled whilst employed.

Ivor Shaw Limited

Report of the Directors  
for the Year Ended 31 March 2005

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

**AUDITORS**

The auditors, Bates Weston, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



Mrs S P Johnson - Secretary

Date: 08/09/05

**Report of the Independent Auditors to**  
**Ivor Shaw Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages five to eighteen, together with the full financial statements of the company for the year ended 31 March 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to eighteen are properly prepared in accordance with that provision.

Bates Weston  
Chartered Accountants  
Registered Auditors  
The Mills  
Canal Street  
Derby  
DE1 2RJ

Date: .....

**Ivor Shaw Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31 March 2005**

	Notes	2005 £	2004 £
<b>GROSS PROFIT</b>		1,559,810	1,788,347
Distribution costs		317,885	345,041
Administrative expenses		<u>1,460,660</u>	<u>1,453,941</u>
		1,778,545	1,798,982
<b>OPERATING LOSS</b>	3	(218,735)	(10,635)
Income from fixed asset investments		-	57
Interest receivable and similar income		<u>834</u>	<u>515</u>
		834	572
		(217,901)	(10,063)
Interest payable and similar charges	4	<u>92,848</u>	<u>77,481</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(310,749)	(87,544)
Tax on loss on ordinary activities	5	<u>(62,986)</u>	<u>(22,420)</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(247,763)	(65,124)
<b>DEFICIT FOR THE YEAR</b>		<u>(247,763)</u>	<u>(65,124)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current and previous years.

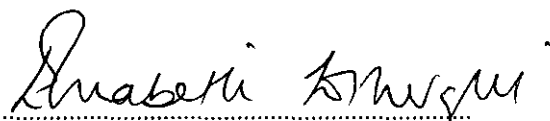
**Ivor Shaw Limited**

**Abbreviated Balance Sheet**  
**31 March 2005**

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	6	1,926,703	2,118,029
Investments	7	1,829	1,829
		<u>1,928,532</u>	<u>2,119,858</u>
<b>CURRENT ASSETS</b>			
Stocks	8	1,716,269	1,655,853
Debtors	9	2,137,445	1,588,075
Cash at bank and in hand		8,551	6,917
		<u>3,862,265</u>	<u>3,250,845</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>3,105,662</u>	<u>2,306,987</u>
<b>NET CURRENT ASSETS</b>		<u>756,603</u>	<u>943,858</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,685,135</u>	<u>3,063,716</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	(543,708)	(638,926)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	15	<u>(22,400)</u>	<u>(58,000)</u>
		<u>2,119,027</u>	<u>2,366,790</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	8,004	8,004
Profit and loss account	17	2,111,023	2,358,786
<b>SHAREHOLDERS' FUNDS</b>	21	<u>2,119,027</u>	<u>2,366,790</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

**ON BEHALF OF THE BOARD:**



Mrs E J Fothergill - Director

Approved by the Board on 6/9/05

The notes form part of these abbreviated accounts



**Ivor Shaw Limited**

**Cash Flow Statement**  
**for the Year Ended 31 March 2005**

	Notes	2005 £	2004 £
Net cash (outflow)/inflow from operating activities	1	(49,886)	958,655
Returns on investments and servicing of finance	2	(38,889)	(85,699)
Taxation		25,751	(27,386)
Capital expenditure and financial investment	2	(126,289)	(414,180)
		(189,313)	431,390
Financing	2	(127,067)	(145,081)
(Decrease)/Increase in cash in the period		<u>(316,380)</u>	<u>286,309</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/Increase in cash in the period		(316,380)	286,309
Cash outflow from decrease in debt and lease financing		<u>127,067</u>	<u>145,081</u>
Change in net debt resulting from cash flows		(189,313)	431,390
New hire purchase agreements		<u>(13,344)</u>	<u>(62,566)</u>
Movement in net debt in the period		(202,657)	368,824
Net debt at 1 April		<u>(974,851)</u>	<u>(1,343,675)</u>
Net debt at 31 March		<u>(1,177,508)</u>	<u>(974,851)</u>

The notes form part of these abbreviated accounts

**Ivor Shaw Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 March 2005**

**1. RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2005 £	2004 £
Operating loss	(218,735)	(10,635)
Depreciation charges	332,013	406,373
(Profit)/Loss on disposal of fixed assets	(1,054)	2,636
Profit on sale of investments	-	(1,122)
Increase in stocks	(60,416)	(46,403)
(Increase)/Decrease in debtors	(547,735)	614,758
Increase/(Decrease) in creditors	446,041	(6,952)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(49,886)</b>	<b>958,655</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2005 £	2004 £
<b>Returns on investments and servicing of finance</b>		
Interest received	834	515
Interest paid	(29,708)	(74,630)
Interest element of hire purchase payments	(10,015)	(11,641)
Dividends received	-	57
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(38,889)</b>	<b>(85,699)</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(136,689)	(439,274)
Sale of tangible fixed assets	10,400	23,170
Sale of fixed asset investments	-	1,924
<b>Net cash outflow for capital expenditure and financial investment</b>	<b>(126,289)</b>	<b>(414,180)</b>
<b>Financing</b>		
Loan repayments in year	(75,000)	(75,000)
Capital repayments in year	(52,067)	(70,081)
<b>Net cash outflow from financing</b>	<b>(127,067)</b>	<b>(145,081)</b>

Ivor Shaw Limited

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2005

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.04 £	Cash flow £	Other non-cash changes £	At 31.3.05 £
Net cash:				
Cash at bank and in hand	6,917	1,634		8,551
Bank overdraft	(201,972)	(318,014)		(519,986)
	<u>(195,055)</u>	<u>(316,380)</u>		<u>(511,435)</u>
Debt:				
Hire purchase	(111,046)	52,067	(13,344)	(72,323)
Debts falling due within one year	(75,000)	-	-	(75,000)
Debts falling due after one year	(593,750)	75,000	-	(518,750)
	<u>(779,796)</u>	<u>127,067</u>	<u>(13,344)</u>	<u>(666,073)</u>
Total	<u>(974,851)</u>	<u>(189,313)</u>	<u>(13,344)</u>	<u>(1,177,508)</u>

The notes form part of these abbreviated accounts

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 31 March 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and applicable accounting standards.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

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.

Plant and machinery	- 5% to 30% on reducing balance
Fixtures and office equipment	- 10% and 15% on reducing balance
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

**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 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.

**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.

**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. The capital element of the future payments is treated as a liability.

**Pension costs**

The company operates a contributory scheme for its employees and a self administered scheme for its directors. Amounts under both schemes are charged to profit and loss when paid.

**Fixed asset investments**

Fixed asset investments are stated at the lower of cost or market value if the directors consider any diminution in value likely to be permanent.

**Deferred taxation**

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

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.

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**2. STAFF COSTS**

	2005	2004
	£	£
Wages and salaries	3,983,798	3,766,716
Social security costs	347,666	343,413
Other pension costs	56,322	153,522
	<u>4,387,786</u>	<u>4,263,651</u>

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

	2005	2004
Management and administration	44	35
Production and sales	228	238
	<u>272</u>	<u>273</u>

**3. OPERATING LOSS**

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

	2005	2004
	£	£
Depreciation - owned assets	277,016	353,899
Depreciation - assets on hire purchase contracts	54,998	52,474
(Profit)/Loss on disposal of fixed assets	(1,054)	2,636
Auditors' remuneration	6,900	6,500
Foreign exchange differences	2,422	(3,233)
Rent payable	380,000	380,000
Equipment rental	34,786	37,242
Research and development	12,533	15,930
	<u>371,078</u>	<u>340,284</u>
Directors' emoluments	1,196	82,905
Directors' pension contributions to money purchase schemes	<u>1,196</u>	<u>82,905</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2005	2004
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2005	2004
	£	£
Emoluments etc	158,479	158,042
Pension contributions to money purchase schemes	<u>-</u>	<u>48,330</u>

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2005	2004
	£	£
Bank interest	35,001	15,660
Interest on VAT assessment	-	1,392
Pension fund loan interest	47,832	48,788
Hire purchase and finance lease interest	10,015	11,641
	<u>92,848</u>	<u>77,481</u>

**5. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
Adjustment re prior year	(27,386)	-
Deferred tax:		
Origination and reversal of timing differences	(35,600)	(22,420)
Tax on loss on ordinary activities	<u>(62,986)</u>	<u>(22,420)</u>

**Factors affecting the tax credit**

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

	2005	2004
	£	£
Loss on ordinary activities before tax	<u>(310,749)</u>	<u>(87,544)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 - 19%)	(59,042)	(16,633)
Effects of:		
Capital allowances in excess of depreciation	(16,517)	(22,841)
Expenses not deductible for tax purposes	2,331	1,568
Research and development enhanced deduction	(6,025)	(6,349)
Capital gains tax	-	149
Unrelieved trading losses	79,253	44,106
Adjustment re prior year	<u>(27,386)</u>	<u>-</u>
Current tax credit	<u>(27,386)</u>	<u>-</u>

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**6. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and office equipment £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2004	3,234,987	1,077,984	197,590	199,212	4,709,773
Additions	96,517	10,334	26,639	16,543	150,033
Disposals	(1,900)	-	(12,692)	-	(14,592)
At 31 March 2005	3,329,604	1,088,318	211,537	215,755	4,845,214
<b>DEPRECIATION</b>					
At 1 April 2004	2,009,874	321,688	75,100	185,081	2,591,743
Charge for year	195,029	84,702	37,068	15,215	332,014
Eliminated on disposal	-	-	(5,246)	-	(5,246)
At 31 March 2005	2,204,903	406,390	106,922	200,296	2,918,511
<b>NET BOOK VALUE</b>					
At 31 March 2005	1,124,701	681,928	104,615	15,459	1,926,703
At 31 March 2004	1,225,113	756,296	122,490	14,131	2,118,030

The net book value of tangible fixed assets includes £203,911 (2004 - £226,372) in respect of assets held under hire purchase contracts.

**7. FIXED ASSET INVESTMENTS**

	Listed investments £	
<b>COST</b>		
At 1 April 2004 and 31 March 2005	5,792	
<b>PROVISIONS</b>		
At 1 April 2004 and 31 March 2005	3,963	
<b>NET BOOK VALUE</b>		
At 31 March 2005	1,829	
At 31 March 2004	1,829	
	2005	2004
	£	£
Investments listed on recognised stock exchange	1,829	1,829

Market value of listed investment at 31 March 2005 - £4,386 (2004 - £3,629).

Ivor Shaw Limited

Notes to the Abbreviated Accounts - continued  
for the Year Ended 31 March 2005

8. **STOCKS**

	2005	2004
	£	£
Raw materials	1,083,495	1,032,145
Work-in-progress	244,172	280,498
Finished goods	388,602	343,210
	<u>1,716,269</u>	<u>1,655,853</u>

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Trade debtors	1,896,424	1,379,891
Other debtors	79,618	69,438
Director's loan account	2,723	6,541
S419 Tax recoverable	1,635	-
Prepayments and accrued income	157,045	132,205
	<u>2,137,445</u>	<u>1,588,075</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Bank loans and overdrafts (see note 12)	519,986	201,972
Other loans (see note 12)	75,000	75,000
Hire purchase contracts (see note 13)	47,365	65,870
Trade creditors	1,838,411	1,469,822
Social security and other taxes	344,950	319,910
Other creditors	73,869	72,944
Accruals and deferred income	206,081	101,469
	<u>3,105,662</u>	<u>2,306,987</u>

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2005	2004
	£	£
Other loans (see note 12)	518,750	593,750
Hire purchase contracts (see note 13)	24,958	45,176
	<u>543,708</u>	<u>638,926</u>



**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**12. LOANS**

An analysis of the maturity of loans is given below:

	2005 £	2004 £
Amounts falling due within one year or on demand:		
Bank overdrafts	519,986	201,972
Pension fund loan	75,000	75,000
	<u>594,986</u>	<u>276,972</u>
Amounts falling due between two and five years:		
Pension fund loan	<u>375,000</u>	<u>375,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Pension fund loan	<u>143,750</u>	<u>218,750</u>

**13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	Hire purchase contracts	
	2005 £	2004 £
Gross obligations repayable:		
Within one year	52,596	75,439
Between one and five years	27,989	50,775
	<u>80,585</u>	<u>126,214</u>
Finance charges repayable:		
Within one year	5,231	9,569
Between one and five years	3,031	5,599
	<u>8,262</u>	<u>15,168</u>
Net obligations repayable:		
Within one year	47,365	65,870
Between one and five years	24,958	45,176
	<u>72,323</u>	<u>111,046</u>

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2005 £	2004 £	2005 £	2004 £
Expiring:				
Within one year	-	-	11,654	12,861
Between one and five years	-	-	26,788	21,554
In more than five years	380,000	380,000	-	-
	<u>380,000</u>	<u>380,000</u>	<u>38,442</u>	<u>34,415</u>

**14. SECURED DEBTS**

The following secured debts are included within creditors:

	2005 £	2004 £
Bank overdrafts	519,986	201,972
Hire purchase contracts	72,323	111,046
	<u>592,309</u>	<u>313,018</u>

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

The details of the bank's security is disclosed in note 19.

**15. PROVISION FOR LIABILITIES AND CHARGES**

	2005 £	2004 £
Deferred tax		
Accelerated capital allowances	118,400	102,100
Corporation tax losses	(96,000)	(44,100)
	<u>22,400</u>	<u>58,000</u>
		Deferred tax £
Balance at 1 April 2004		58,000
Transfer to profit and loss		(35,600)
Balance at 31 March 2005		<u>22,400</u>

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**16. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	2005	2004
		£1	£	£
10,000	Ordinary		10,000	10,000
			<u>          </u>	<u>          </u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
		£1	£	£
8,004	Ordinary		8,004	8,004
			<u>          </u>	<u>          </u>

**17. RESERVES**

	Profit and loss account
	£
At 1 April 2004	2,358,786
Deficit for the year	(247,763)
	<u>          </u>
At 31 March 2005	2,111,023
	<u>          </u>

**18. CAPITAL COMMITMENTS**

	2005	2004
	£	£
Contracted but not provided for in the financial statements	69,903	26,396
	<u>          </u>	<u>          </u>

**19. OTHER FINANCIAL COMMITMENTS**

A group bank overdraft facility repayable on demand, is secured by way of an unlimited debenture providing a fixed and floating charge over the company's present assets and those of its related party Pennine Healthcare Limited. The commitment in respect of Pennine Healthcare Limited as at 31 March 2005 was £Nil (2004 - £Nil)

The company's bankers have also given a facility of £20,000 covering Bonds and Guarantees.

**20. TRANSACTIONS WITH DIRECTORS**

The following loan to directors subsisted during the year ended 31 March 2005:

	£
<b>Mrs E J Fothergill</b>	
Balance outstanding at start of year	6,541
Balance outstanding at end of year	2,723
Maximum balance outstanding during year	<u>7,009</u>

**Ivor Shaw Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2005**

**20. TRANSACTIONS WITH DIRECTORS - continued**

The company trades with Pennine Healthcare Limited, a company in which Mrs E J Fothergill has an interest as a director and a shareholder. All transactions were under normal trading terms as follows:- sales - £4,931,071 (2004 - £5,148,697), purchases - £16,307 (2004 - £94,942). The company also purchased fixed assets for £Nil (2004 - £1,200) from Pennine Healthcare Limited during the year.

The company trades with Riverside Medical Packaging Limited, a company in which Mr D N Shaw has an interest as a director and a shareholder. Significant transactions under normal trading terms were as follows:- sales - £13,738 (2004 - £34,741), purchases - £280,165 (2004 - £381,461).

Trade debtors and trade creditors include the following balances in respect of the above trading:- Pennine Healthcare Limited: debtor - £466,969 (2004 - £550,960), creditor - £14,403 (2004 - £10,601). Riverside Medical Packaging Limited: debtor - £11,674 (2004 - £3,476), creditor - £73,868 (2004 - £58,889).

The company trades with Imagri UK Limited, a company in which Mr I M Shaw has an interest as a director and shareholder. The transactions were as follows:- purchases - £11,036 (2004 - £33,818). The amount due to the company in respect of this was £Nil (2004 - £4,350).

The Ivor Shaw Limited Retirement Fund, of which Mrs E J Fothergill and Mr D N Shaw are trustees, has loaned the company £750,000 repayable over 10 years at an interest rate of 3% above the bank base rate. At the balance sheet date the company owed the Retirement Fund £593,750 (2004 - £668,750) in respect of this transaction. The company was charged interest of £47,832 (2004 - £48,788) on the loan during the year. As at 31 March 2005 £53,125 (2004 - £5,293) was due to the pension fund in respect of the loan interest.

The company has paid expenses on behalf of the Retirement Fund during the year. At 31 March 2005 £4,124 (2004 - £34,470) was owed to the company by the Retirement Fund in respect of these transactions.

The company rented property from the Retirement Fund for £380,000 (2004 - £380,000).

**21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2005 £	2004 £
Loss for the financial year	(247,763)	(65,124)
<b>Net reduction of shareholders' funds</b>	(247,763)	(65,124)
Opening shareholders' funds	2,366,790	2,431,914
<b>Closing shareholders' funds</b>	<u>2,119,027</u>	<u>2,366,790</u>
Equity interests	<u>2,119,027</u>	<u>2,366,790</u>