

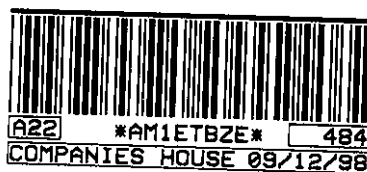
REGISTERED NUMBER: 755641 (England and Wales)

Abbreviated Financial Statements

for the Year Ended 31 March 1998

for

Ivor Shaw Limited



Ivor Shaw Limited

Company Information
for the Year Ended 31 March 1998

DIRECTORS:

Mrs. J P H Shaw
Mrs E J Fothergill
I M Shaw
D N Shaw

SECRETARY:

Mrs S P Johnson

REGISTERED OFFICE:

Pontefract Street
Ascot Drive
Derby

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 1998**

The directors present their report with the financial statements of the company for the year ended 31 March 1998.

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 financial statements.

The directors are satisfied with the years results achieved in a very competitive and price conscious market.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 1998.

DIRECTORS

The directors during the year under review were:

Mrs. J P H Shaw
Mrs E J Fothergill
I M Shaw
D N Shaw

The beneficial interests of the directors holding office on 31 March 1998 in the issued share capital of the company were as follows:

| | 31.3.98 | 1.4.97 |
|---------------------------|---------|--------|
| Ordinary £1 shares | | |
| 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 |

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.

Ivor Shaw Limited

Report of the Directors
for the Year Ended 31 March 1998

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

Dated: 5 October 1998

Ivor Shaw Limited

Report of the Auditors to
Ivor Shaw Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages five to eighteen, together with the full financial statements of the company for the year ended 31 March 1998 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements 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 financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements 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

Dated: 5 October 1998

Ivor Shaw Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 March 1998

| | Notes | 1998 | | 1997 | |
|--|-------|-----------|------------|-----------|------------|
| | | £ | £ | £ | £ |
| GROSS PROFIT | | | 1,791,637 | | 1,842,530 |
| Distribution costs | | 174,844 | | 265,044 | |
| Administrative expenses | | 1,288,581 | | 1,182,334 | |
| | | | 1,463,425 | | 1,447,378 |
| OPERATING PROFIT | 3 | | 328,212 | | 395,152 |
| Income from investments | | 169 | | 230 | |
| Interest receivable and similar income | 4 | 1,379 | | 6,787 | |
| | | | 1,548 | | 7,017 |
| | | | 329,760 | | 402,169 |
| Amounts written off investments | 5 | | - | | 3,963 |
| | | | 329,760 | | 398,206 |
| Interest payable and similar charges | 6 | | 21,617 | | 35,817 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | | 308,143 | | 362,389 |
| Tax on profit on ordinary activities | 7 | | 63,268 | | 106,120 |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | | 244,875 | | 256,269 |
| Retained profit brought forward | | | 1,198,731 | | 942,462 |
| RETAINED PROFIT CARRIED FORWARD | | | £1,443,606 | | £1,198,731 |

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 profits for the current and previous years.

The notes form part of these financial statements

Ivor Shaw Limited

Abbreviated Balance Sheet
31 March 1998

| | Notes | 1998 | | 1997 | |
|--|-------|------------------|-------------------|------------------|-------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 8 | | 836,468 | | 682,518 |
| Investments | 9 | | 2,418 | | 2,418 |
| | | | <u>838,886</u> | | <u>684,936</u> |
| CURRENT ASSETS: | | | | | |
| Stocks | 10 | 1,176,534 | | 870,268 | |
| Debtors | 11 | 1,215,970 | | 755,187 | |
| Cash at bank and in hand | | 140,168 | | 362,673 | |
| | | <u>2,532,672</u> | | <u>1,988,128</u> | |
| CREDITORS: Amounts falling due within one year | 12 | 1,810,438 | | 1,310,254 | |
| NET CURRENT ASSETS: | | | <u>722,234</u> | | <u>677,874</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | 1,561,120 | | 1,362,810 |
| CREDITORS: Amounts falling due after more than one year | 13 | | 109,510 | | 156,075 |
| | | | <u>£1,451,610</u> | | <u>£1,206,735</u> |
| CAPITAL AND RESERVES: | | | | | |
| Called up share capital | 17 | | 8,004 | | 8,004 |
| Profit and loss account | | | 1,443,606 | | 1,198,731 |
| Shareholders' funds | 22 | | <u>£1,451,610</u> | | <u>£1,206,735</u> |

These abbreviated financial statements 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 5 October 1998

The notes form part of these financial statements

Ivor Shaw Limited

Cash Flow Statement
for the Year Ended 31 March 1998

| | | 1998 | | 1997 | |
|---|-------|-----------|-------------------|-----------|------------------|
| | Notes | £ | £ | £ | £ |
| Net cash inflow from operating activities | 1 | | 92,200 | | 829,396 |
| Returns on investments and servicing of finance | 2 | | (23,116) | | (24,153) |
| Taxation | | | (93,607) | | (55,023) |
| Capital expenditure | 2 | | (246,264) | | (373,799) |
| | | | <u>(270,787)</u> | | <u>376,421</u> |
| Financing | 2 | | 48,282 | | 320,344 |
| (Decrease)/Increase in cash in the period | | | <u>£(222,505)</u> | | <u>£696,765</u> |
| <hr/> | | | | | |
| Reconciliation of net cash flow to movement in net debt | 3 | | | | |
| (Decrease)/Increase in cash in the period | | (222,505) | | 696,765 | |
| Cash inflow from increase in debt and lease financing | | (48,282) | | (320,344) | |
| | | | | | |
| Change in net debt resulting from cash flows | | | (270,787) | | 376,421 |
| New hire purchase agreements | | | (35,141) | | (59,373) |
| | | | <u>(305,928)</u> | | <u>317,048</u> |
| Movement in net debt in the period | | | (71,498) | | (388,546) |
| Net debt at 1 April 1997 | | | | | |
| | | | <u>£(377,426)</u> | | <u>£(71,498)</u> |
| Net debt at 31 March 1998 | | | | | |

The notes form part of these financial statements

Ivor Shaw Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 1998

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 1998 £ | 1997 £ |
|--|---------------|----------------|
| Operating profit | 328,212 | 395,152 |
| Depreciation charges | 127,706 | 95,785 |
| Loss on sale of fixed assets | - | 1,741 |
| Increase in stocks | (306,266) | (71,093) |
| (Increase)/Decrease in debtors | (473,535) | 303,654 |
| Increase in creditors | 416,083 | 104,157 |
| Net cash inflow from operating activities | 92,200 | 829,396 |

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

| | 1998 £ | 1997 £ |
|---|------------------|------------------|
| Returns on investments and servicing of finance | | |
| Interest received | 1,379 | 6,787 |
| Interest paid | (17,411) | (25,912) |
| Interest element of hire purchase and finance lease rentals payments | (7,253) | (5,258) |
| Dividends received | 169 | 230 |
| Net cash outflow for returns on investments and servicing of finance | (23,116) | (24,153) |
| Capital expenditure | | |
| Purchase of tangible fixed assets | (246,514) | (401,926) |
| Sale of tangible fixed assets | 250 | 28,127 |
| Net cash outflow for capital expenditure | (246,264) | (373,799) |
| Financing | | |
| Loan repayments in year | - | (12,500) |
| Hire purchase repayments | (45,162) | (54,523) |
| Amount introduced by directors | 93,444 | 387,367 |
| Net cash inflow from financing | 48,282 | 320,344 |

The notes form part of these financial statements

Ivor Shaw Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 1998

3. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.4.97 £ | Cash flow £ | Other non-cash changes £ | At 31.3.98 £ |
|--------------------------------------|------------------|------------------|-----------------------------------|------------------|
| Net cash: | | | | |
| Cash at bank and in hand | 362,673 | (222,505) | | 140,168 |
| | <u>362,673</u> | <u>(222,505)</u> | | <u>140,168</u> |
| Debt: | | | | |
| Hire purchase and finance leases | (75,799) | 45,162 | (35,141) | (65,778) |
| Debts falling due within one year | (130,000) | 50,000 | - | (80,000) |
| Debts falling due after one year | (228,372) | (143,444) | - | (371,816) |
| | <u>(434,171)</u> | <u>(48,282)</u> | <u>(35,141)</u> | <u>(517,594)</u> |
| Total | <u>(71,498)</u> | <u>(270,787)</u> | <u>(35,141)</u> | <u>(377,426)</u> |
| Analysed in Balance Sheet | | | | |
| Cash at bank and in hand | 362,673 | | | 140,168 |
| Hire purchase and finance leases | | | | |
| within one year | (39,724) | | | (36,268) |
| after one year | (36,075) | | | (29,510) |
| Debts falling due within one year | (130,000) | | | (80,000) |
| Debts falling due after one year | (228,372) | | | (371,816) |
| | <u>(71,498)</u> | | | <u>(377,426)</u> |

The notes form part of these financial statements

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

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.

| | |
|-------------------------------|---------------------------|
| Freehold property | - 2% on cost |
| Plant and machinery | - 15% on reducing balance |
| Fixtures and Office equipment | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 20% on cost |

Assets held under finance leases are depreciated over their primary rental period of between three and five years.

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.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

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.

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

1. **ACCOUNTING POLICIES - continued**

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.

2. **STAFF COSTS**

| | 1998 | 1997 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,404,483 | 2,095,755 |
| Social security costs | 200,067 | 174,632 |
| Other pension costs | 326,568 | 317,923 |
| | <u>2,931,118</u> | <u>2,588,310</u> |

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

| | 1998 | 1997 |
|-------------------------------|------------|------------|
| Management and administration | 17 | 13 |
| Production and sales | 190 | 172 |
| | <u>207</u> | <u>185</u> |

3. **OPERATING PROFIT**

The operating profit is stated after charging:

| | 1998 | 1997 |
|--|----------------|----------------|
| | £ | £ |
| Depreciation - owned assets | 96,645 | 64,008 |
| Depreciation - assets on hire purchase contracts and finance leases | 31,060 | 31,777 |
| Loss on disposal of fixed assets | - | 1,741 |
| Auditors' remuneration | 4,950 | 4,850 |
| Rent payable | 111,749 | 104,661 |
| Equipment rental | 10,481 | 6,570 |
| | <u>295,000</u> | <u>295,000</u> |
| Directors' emoluments | 522,388 | 547,821 |
| Directors' pension contributions to money purchase schemes | <u>295,000</u> | <u>295,000</u> |

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

| | 4 | 4 |
|------------------------|----------|----------|
| Money purchase schemes | <u>4</u> | <u>4</u> |

Information regarding the highest paid director is as follows:

| | 1998 | 1997 |
|---|----------------|----------------|
| | £ | £ |
| Emoluments etc | 270,722 | 325,167 |
| Pension contributions to money purchase schemes | <u>154,665</u> | <u>154,665</u> |

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

4. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 1998 | 1997 |
|--------------------------|-------------------|-------------------|
| | £ | £ |
| Deposit account interest | 1,379 | 6,787 |
| | <u> </u> | <u> </u> |

5. AMOUNTS WRITTEN OFF INVESTMENTS

| | 1998 | 1997 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Investments write down | - | 3,963 |
| | <u> </u> | <u> </u> |

6. INTEREST PAYABLE AND SIMILAR CHARGES

| | 1998 | 1997 |
|--|---------------|---------------|
| | £ | £ |
| Bank interest | 1,672 | 510 |
| Interest on taxes paid late | - | 257 |
| Pension fund loan interest | - | 13,582 |
| Directors loan interest | 13,019 | 14,556 |
| Hire purchase and finance lease interest | 6,926 | 6,912 |
| | <u>21,617</u> | <u>35,817</u> |

7. TAXATION

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

| | 1998 | 1997 |
|---|---------------|----------------|
| | £ | £ |
| UK Corporation Tax | 63,234 | 106,120 |
| Tax attributable to franked investment income | 34 | - |
| | <u>63,268</u> | <u>106,120</u> |

UK Corporation Tax has been charged at 31% (1997 - 33%).

Ivor Shaw Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998**

8. TANGIBLE FIXED ASSETS

| | Freehold property | Leased equipment | Plant and machinery |
|------------------------|----------------------|---------------------|------------------------|
| | £ | £ | £ |
| COST: | | | |
| At 1 April 1997 | 211,624 | 27,921 | 722,003 |
| Additions | 2,415 | - | 184,664 |
| At 31 March 1998 | 214,039 | 27,921 | 906,667 |
| DEPRECIATION: | | | |
| At 1 April 1997 | 4,232 | 9,520 | 406,676 |
| Charge for year | 4,148 | 2,760 | 74,999 |
| At 31 March 1998 | 8,380 | 12,280 | 481,675 |
| NET BOOK VALUE: | | | |
| At 31 March 1998 | 205,659 | 15,641 | 424,992 |
| At 31 March 1997 | 207,392 | 18,401 | 315,327 |

| | Fixtures and Office equipment | Motor vehicles | Computer equipment | Totals |
|------------------------|--|-------------------|-----------------------|-----------|
| | £ | £ | £ | £ |
| COST: | | | | |
| At 1 April 1997 | 125,295 | 86,296 | 41,775 | 1,214,914 |
| Additions | 19,965 | 54,169 | 20,442 | 281,655 |
| At 31 March 1998 | 145,260 | 140,465 | 62,217 | 1,496,569 |
| DEPRECIATION: | | | | |
| At 1 April 1997 | 66,378 | 35,344 | 10,246 | 532,396 |
| Charge for year | 4,443 | 26,299 | 15,056 | 127,705 |
| At 31 March 1998 | 70,821 | 61,643 | 25,302 | 660,101 |
| NET BOOK VALUE: | | | | |
| At 31 March 1998 | 74,439 | 78,822 | 36,915 | 836,468 |
| At 31 March 1997 | 58,917 | 50,952 | 31,529 | 682,518 |

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

8. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

| | Leased equipment | Plant and machinery | Motor vehicles | Totals |
|--------------------------|---------------------|------------------------|-------------------|----------|
| | £ | £ | £ | £ |
| COST: | | | | |
| At 1 April 1997 | 27,921 | 114,595 | 69,479 | 211,995 |
| Additions | - | - | 54,169 | 54,169 |
| Transferred to ownership | - | (49,743) | (23,494) | (73,237) |
| At 31 March 1998 | 27,921 | 64,852 | 100,154 | 192,927 |
| DEPRECIATION: | | | | |
| At 1 April 1997 | 9,520 | 36,791 | 25,079 | 71,390 |
| Charge for year | 2,760 | 6,116 | 22,184 | 31,060 |
| Transferred to ownership | - | (12,709) | (13,582) | (26,291) |
| At 31 March 1998 | 12,280 | 30,198 | 33,681 | 76,159 |
| NET BOOK VALUE: | | | | |
| At 31 March 1998 | 15,641 | 34,654 | 66,473 | 116,768 |
| At 31 March 1997 | 18,401 | 77,804 | 44,400 | 140,605 |

9. FIXED ASSET INVESTMENTS

| | | |
|---|-------|-------|
| | | £ |
| COST: | | |
| At 1 April 1997 | | |
| and 31 March 1998 | | 6,381 |
| | | <hr/> |
| PROVISIONS: | | |
| At 1 April 1997 | | |
| and 31 March 1998 | | 3,963 |
| | | <hr/> |
| NET BOOK VALUE: | | |
| At 31 March 1998 | | 2,418 |
| | | <hr/> |
| At 31 March 1997 | | 2,418 |
| | | <hr/> |
| | 1998 | 1997 |
| | £ | £ |
| Investments listed on recognised stock exchange | 2,418 | 2,418 |
| | <hr/> | <hr/> |

Market value of listed investments at 31 March 1998 - £4,892 (1997 - £3,010).

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

10. STOCKS

| | 1998 | 1997 |
|------------------|------------------|----------------|
| | £ | £ |
| Raw materials | 480,168 | 431,804 |
| Work in progress | 211,973 | 234,266 |
| Finished goods | 484,393 | 204,198 |
| | <u>1,176,534</u> | <u>870,268</u> |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 1998 | 1997 |
|--------------------------------|------------------|----------------|
| | £ | £ |
| Trade debtors | 1,121,321 | 645,752 |
| Other debtors | 50,307 | 46,933 |
| Prepayments and accrued income | 39,092 | 44,751 |
| Taxation recoverable | 5,250 | 17,751 |
| | <u>1,215,970</u> | <u>755,187</u> |

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 1998 | 1997 |
|---|------------------|------------------|
| | £ | £ |
| Hire purchase contracts and finance leases (see note 15) | 36,268 | 39,724 |
| Trade creditors | 1,000,796 | 623,149 |
| Directors current accounts | 371,816 | 228,372 |
| Other creditors | 24,389 | 25,069 |
| Social security and other taxes | 241,575 | 219,320 |
| Taxation | 63,234 | 106,074 |
| Accrued expenses | 72,360 | 68,546 |
| | <u>1,810,438</u> | <u>1,310,254</u> |

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

| | 1998 | 1997 |
|---|----------------|----------------|
| | £ | £ |
| Directors loan account (see note 14) | 80,000 | 120,000 |
| Hire purchase contracts and finance leases (see note 15) | 29,510 | 36,075 |
| | <u>109,510</u> | <u>156,075</u> |

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

| | 1998 £ | 1997 £ |
|--|-----------|-----------|
| Amounts falling due between one and two years: | | |
| Directors loan account | 80,000 | 120,000 |

15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

| | Hire purchase contracts | | Finance leases | |
|------------------------------|-------------------------------|---------------|-------------------|---------------|
| | 1998 £ | 1997 £ | 1998 £ | 1997 £ |
| Gross obligations repayable: | | | | |
| Within one year | 36,708 | 37,156 | 4,846 | 8,095 |
| Between one and five years | 28,767 | 31,661 | 4,930 | 9,776 |
| | <u>65,475</u> | <u>68,817</u> | <u>9,776</u> | <u>17,871</u> |
| Finance charges repayable: | | | | |
| Within one year | 4,398 | 4,275 | 888 | 1,252 |
| Between one and five years | 3,261 | 3,548 | 926 | 1,814 |
| | <u>7,659</u> | <u>7,823</u> | <u>1,814</u> | <u>3,066</u> |
| Net obligations repayable: | | | | |
| Within one year | 32,310 | 32,881 | 3,958 | 6,843 |
| Between one and five years | 25,506 | 28,113 | 4,004 | 7,962 |
| | <u>57,816</u> | <u>60,994</u> | <u>7,962</u> | <u>14,805</u> |

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

| | Operating leases | | | |
|----------------------------|-----------------------|----------------|--------------|--------------|
| | Land and buildings | | Other | |
| | 1998 £ | 1997 £ | 1998 £ | 1997 £ |
| Expiring: | | | | |
| Within one year | - | 23,400 | 2,120 | - |
| Between one and five years | - | - | 1,104 | 3,224 |
| In more than five years | 79,799 | 79,799 | - | 1,028 |
| | <u>79,799</u> | <u>103,199</u> | <u>3,224</u> | <u>4,252</u> |

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

16. PROVISIONS FOR LIABILITIES AND CHARGES

The amount for which no provision has been made in respect of deferred taxation, is as follows:

| | 1998 | 1997 |
|--------------------------------|--------|--------|
| | £ | £ |
| Accelerated capital allowances | 40,000 | 24,000 |

17. CALLED UP SHARE CAPITAL

Authorised:

| Number: | Class: | Nominal value: | 1998 | 1997 |
|---------|----------|-------------------|--------|--------|
| | | | £ | £ |
| 10,000 | Ordinary | £1 | 10,000 | 10,000 |

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 1998 | 1997 |
|---------|----------|-------------------|-------|-------|
| | | | £ | £ |
| 8,004 | Ordinary | £1 | 8,004 | 8,004 |

18. CONTINGENT LIABILITIES

The company has a contingent liability in respect of a Customs and Excise VAT deferment guarantee dated 20 December 1984 to the value of £5,000.

19. CAPITAL COMMITMENTS

| | 1998 | 1997 |
|---|------|--------|
| | £ | £ |
| Contracted but not provided for in the financial statements | - | 37,400 |

20. OTHER FINANCIAL COMMITMENTS

A bank overdraft facility of £150,000, repayable on demand, is secured by way of an unlimited debenture dated 15 June 1984 providing a fixed and floating charge over the companies assets.

The company's bankers have also given a facility of £10,000 covering Bonds and Guarantees.

No liabilities are anticipated in respect of these commitments.

Ivor Shaw Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

21. TRANSACTIONS WITH DIRECTORS

The company trades with Pennine Healthcare Limited, a company in which a director, Mrs E J Fothergill, has a material interest as a director and a shareholder. All transactions were under normal trading terms as follows:- Management charges paid £58,000 (1997 - Nil), Sales - £3,261,985 (1997 - £3,076,029), Purchases - £206,122 (1997 - £181,212)

The company trades with Riverside Medical Packaging Limited, a company in which a director, Mr D N Shaw, has a material interest as a director and a shareholder. All transactions were under normal trading terms as follows:- Sales - £3,791 (1997 - £9,171), Purchases - £279,220 (1997 - £276,649).

Trade Debtors and Trade Creditors include the following balances in respect of the above trading:- Pennine Healthcare Limited: Debtor - £408,561 (1997 - £339,773), Creditor - £197,309 (1997 - £60,438). Riverside Medical Packaging Limited: Debtor - £534 (1997 - £(35)), Creditors - £48,975 (1997 - £26,866).

Included in Other debtors is an amount owed by the Executors of the late Mr I Shaw of £19,933. This was the maximum amount owing during the year. As at 1 April 1996 the balance was £19,933.

The company also trades with Ciro of which Mr I M Shaw is the proprietor. The transactions were as follows :- Sales - £211(1997 - £462), Purchases - £66,318(1997 - £46,315). The amount due to the company in respect of this was £12,846 (1997 - £9,284)

Included in creditors are amounts owed to Mrs P J Shaw and Mr I M Shaw of £30,000(1997 - £40,000) and £90,000(1997 - £120,000) respectively. The maximum amounts outstanding during the year were £40,000 and £120,000 respectively. Interest of £13,019 (1997 - £14,556) was paid in the year to the directors in respect of their loans. Also included in creditors is a directors current account balance of £241,816 (1997 - £164,372) for Mrs E J Fothergill. Mrs Fothergill's annual bonus was introduced and various sums withdrawn during the year amounting to £77,445 net, dependent on the working capital requirements of the company.

Similarly Mr D N Shaw maintained a current account and the balance at the year end was £90,000 (1997 - £24,000). The net amount introduced was £66,000.

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 1998 £ | 1997 £ |
|--|------------------|------------------|
| Profit for the financial year | 244,875 | 256,269 |
| NET ADDITION TO SHAREHOLDERS' FUNDS | 244,875 | 256,269 |
| Opening shareholders' funds | 1,206,735 | 950,466 |
| CLOSING SHAREHOLDERS' FUNDS | 1,451,610 | 1,206,735 |
| Equity interests | 1,451,610 | 1,206,735 |