

Company Registration No. 2693603

**ARJO HUNTLEIGH INTERNATIONAL
LIMITED**

Report and Financial Statements

31 December 2016



ARJO HUNTLEIGH INTERNATIONAL LIMITED

Report and financial statements 2016

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ARJO HUNTLEIGH INTERNATIONAL LIMITED

Officers and professional advisers

Directors

K Ibrahim
H Hadani
R Bloom
P Lyon

Secretary

R Bloom

Registered Office

ArjoHuntleigh House
Houghton Hall Business Park
Houghton Regis
Dunstable
Bedfordshire
LU5 5XF

Bankers

Handelsbanken
4 Moorgate
London
EC2R 6DA

Solicitors

Gowling WLG
Two Snowhill
Birmingham
B4 6WR

ARJO HUNTLEIGH INTERNATIONAL LIMITED

Strategic Report

The directors present the following report and the audited financial statements for the year ended 31 December 2016

BUSINESS REVIEW

The principal activity of the company during the year has been the sale of medical equipment.

The results for the year are set out in the profit and loss account on page 5. The company scaled down its export business since 2015 following the restructuring of the Getinge group.

KEY PERFORMANCE INDICATORS

Turnover for the year is £3.4m (2015: £4.1m) with a gross profit margin of 10% (2015: 23%). The company posted an operating loss of £0.1m (2015: £2m loss). There were 3 employees in 31 December 2015 (2015: 11).

As the company's activities are managed as part of a division of the Getinge Group, more commentary about strategy and business performance & market trends is available on pages 8 to 39 of the Getinge Group's 2016 annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure is a continuing risk for the company which could result in it losing sales to key competitors. The company manages this risk by being responsive to customers' needs and maintaining strong relationships with its customers.

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund obligations as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk and liquidity risk.

Interest-rate risks

Long term borrowing facilities are provided by another group company on fixed interest rates.

Currency risks

Payments as a result of sales income and expenses for goods sold in foreign currencies cause currency exposure that affects company profits in the event of exchange rate fluctuations. Cash in/(out) flows in major currencies such as Euro and US Dollar are hedged by Getinge AB 'the parent company' to mitigate this risk.

Credit risks

The company's principal financial assets are bank balances and cash, trade and other receivables and investments. Commercial credit risks are limited by a diverse, creditworthy customer base. Provision is made for any debtor with doubtful recoverability potential and reflected within operating profit.

The company has no significant concentration of credit risk with exposure spread over a large number of counterparties, customers and countries.

Liquidity risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future growth developments the company maintains a strong working capital position and has access to long term and short term debt finance.

Further information about risks and their mitigation thereof is outlined on pages 42, 43 and 74 of the Getinge Group's annual report.

Approved by the Board of Directors and signed on behalf of the Board



H Hadani

Director

16 August 2017

ARJO HUNTLEIGH INTERNATIONAL LIMITED

Directors' Report

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

K Ibrahim

P Lyon (resigned 25 April 2016) (appointed 29 June 2017)

H Hadani (appointed 25 April 2016)

R Bloom

GOING CONCERN

The strategic report confirms that the directors were satisfied with the company's financial performance for the year ended 31 December 2016, the directors have also concluded that it remains appropriate to prepare the financial statements on a going concern basis.

DIVIDENDS

Dividends of £Nil (2015: £Nil) was paid out of the current year profit and revenues.

EMPLOYEE POLICY

The company's policy is to provide equality of employment opportunity, through training, career development and promotion. It supports the employment of disabled people wherever possible, by recruitment and by retraining all those who become disabled during their employment.

Effective communication with all employees is ensured through a variety of different practices such as works and health and safety committees, continual in-house refresher and training courses and periodic briefings by senior managers. These practices ensure that the views of employees are taken into account in making decisions that are likely to affect their interests and that employees are aware of financial and economic factors that affect the performance of the company.

HEALTH AND SAFETY AND THE ENVIRONMENT

The company continuously refines its detailed policies and procedures in respect of health and safety and environmental matters. The impact of the business on the environment is taken seriously and the company has in place safeguards to protect the environment from pollution. The company seeks to minimise any disturbance to the local and global environment and the quality of life of local communities. Full details can be found within the Sustainability report on pages 30 to 34 of the 2016 of the Getting Group's annual report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" has 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.

ARJO HUNTLEIGH INTERNATIONAL LIMITED

Directors' Report (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors and signed on behalf of the Board



H Hadani
Director

16 August 2017

ARJO HUNTLEIGH INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2016

		2016 £'000	2015 £'000
	Note		
TURNOVER	2	3,431	4,180
Cost of sales		(3,077)	(3,223)
GROSS PROFIT		354	957
Administrative expenses		(404)	(2,963)
Impairment of goodwill		-	1
OPERATING LOSS	3	(50)	(2,005)
Interest receivable and similar income		1	-
Interest payable and similar charges	4	(84)	(57)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(133)	(2,062)
Tax on loss on ordinary activities	8	(64)	470
LOSS FOR THE FINANCIAL YEAR		(197)	(1,592)

STATEMENT OF COMPREHENSIVE INCOME

	2016 £'000	2015 £'000
LOSS FOR THE FINANCIAL YEAR	(197)	(1,592)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE EXPENSE	(197)	(1,592)

All activities derive from continuing activities.

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial year shown above and their historic cost equivalents.

The notes on pages 8 to 16 form part of these financial statements

ARJO HUNTLEIGH INTERNATIONAL LIMITED

BALANCE SHEET

As at 31 December 2016

	Note	2016 £'000	2015 £'000
FIXED ASSETS			
Tangible assets	9	2	24
		<u>2</u>	<u>24</u>
CURRENT ASSETS			
Stock		1	9
Debtors	10	1,465	1,616
		<u>1,466</u>	<u>1,625</u>
CREDITORS: amounts falling due within one year	11	<u>(3,745)</u>	<u>(3,729)</u>
NET CURRENT LIABILITIES		<u>(2,279)</u>	<u>(2,104)</u>
NET LIABILITIES		<u>(2,277)</u>	<u>(2,080)</u>
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Profit and loss account		<u>(2,277)</u>	<u>(2,080)</u>
TOTAL SHAREHOLDERS' DEFICIT		<u>(2,277)</u>	<u>(2,080)</u>

For the financial year ended 31 December 2016, the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year ended 31st December 2016 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 5 to 16 were approved by the Board of Directors on 16 August 2017 and signed on its behalf by:



H Hadani

Director

The notes on pages 8 to 16 form part of these financial statements

Company Registration Number: 2693603

ARJO HUNTLEIGH INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total shareholders' deficit
	£'000	£'000	£'000
Balance as at 1 January 2015	-	(488)	(488)
Total comprehensive expense	-	(1,592)	(1,592)
Balance as at 31 December 2015	-	(2,080)	(2,080)
Balance as at 1 January 2016	-	(2,080)	(2,080)
Total comprehensive expense	-	(197)	(197)
Balance as at 31 December 2016	-	(2,277)	(2,277)

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **Year ended 31 December 2016**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. ACCOUNTING POLICIES

General information

The principal activity of the company is selling medical equipment to Europe and the rest of the world. The company is incorporated and domiciled in the UK.. The registered address is ArjoHuntleigh House, Houghton Hall Business Park, Houghton Regis, Dunstable.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Statement of compliance

The financial statements of ArjoHuntleigh International Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in United Kingdom and the Republic of Ireland, ("FRS102") and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, ("FRS102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

FRS102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions as per FRS 102 para 1.12.

- (i) A reconciliation of the number of shares outstanding at the beginning and end of the period.
- (ii) The requirement to prepare a statement of cash flows.
- (iii) Certain financial instrument disclosures, providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.
- (iv) The non –disclosure of key management personnel compensation in total.

A qualifying entity may take advantage of the disclosure exemptions above provided that:

- (a) its shareholders have been notified and have not objected to the use of the exemptions;
- (b) it otherwise applies the recognition, measurement and disclosure requirements of FRS 102; and
- (c) it discloses in the notes to its financial statements a brief summary of the disclosure exemptions adopted and the name of the parent of the group in whose consolidated financial statements are adopted and from where those financial statements may be obtained.

For the year ending 31 December 2016 the company was entitled to an exemption under section 479 of the Companies act 2006 relating to subsidiary companies.

Going concern

The company has a deed of guarantee in place with its ultimate parent undertaking, Getinge Holdings Limited, which irrevocably guarantees to provide financial support to the company as may from time to time be necessary to enable the company to perform its business and satisfy its financial obligations as they fall due for the foreseeable future. The directors have assessed the ability of Getinge Holdings Limited to provide that support and, on that basis, have concluded that the application of the going concern basis of preparation of the financial statements is appropriate.

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets

Fixed assets are shown at cost net of depreciation and any provision for impairment.

Depreciation is provided on the cost of all tangible fixed assets, at a rate calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and machinery	- up to a maximum of 10 years
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Financial instruments

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

i) Financial assets

Basic financial assets including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially cost using the effective at transaction price and subsequently measured at amortised interest rate.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The taxation assets and liabilities of the branch may be reduced wholly or in part by the surrender of losses to or from fellow group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the surrendering or recipient companies, as appropriate.

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2016

1. ACCOUNTING POLICIES (CONTINUED)

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable 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 financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions.

Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Deferred tax assets and liabilities are not discounted.

Foreign currency

(i) Functional and presentation currency

The company's financial statements are presented in pound sterling and rounded to thousands.

The Company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Other operating (losses)/gains'.

Critical accounting judgements and estimation uncertainty

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

a) Critical judgements in applying the entity's accounting policies

There were no critical judgements applied during the year

b) Critical accounting estimates and assumptions

There were no critical accounting estimates applied during the year.

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

1. ACCOUNTING POLICIES (CONTINUED)

Turnover

Income from the sale of goods is recognised at the point at which the goods are despatched and the rights and rewards of ownership are transferred. Turnover is stated net of VAT and other sales-related taxes, and intra-group transactional discounts.

Leases

Operating lease income is recognised on a straight-line basis over the period of the lease. Rentals paid under operating leases are charged against income on a straight-line basis over the lease term.

Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

Stocks and work in progress

Stock is stated at the lower of cost and net realisable value.

2. TURNOVER

The company's activities consist solely of the sale of medical equipment to international markets with common risk profiles. These are regarded as a single business segment.

Analysis of turnover by geography:

	2016 £'000	2015 £'000
Europe	748	1,060
Rest of the world	2,683	3,120
	<u>3,431</u>	<u>4,180</u>

3. OPERATING LOSS

	2016 £'000	2015 £'000
Operating loss is stated after charging		
Depreciation of owned fixed assets	3	3
Foreign exchange (gain)/loss	(226)	(63)
Operating lease charges	4	36
Fees payable to the company's auditors for the audit of the company's financial statements	-	18
	<u></u>	<u></u>

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £'000	2015 £'000
Interest payable to group undertakings	50	49
Bank interest payable	34	8
	<u>84</u>	<u>57</u>

5. DIRECTORS' EMOLUMENTS

	2016 £'000	2015 £'000
Directors' remuneration		
Aggregate emoluments	-	655

	2016 No.	2014 No.
The number of directors who:		
Are members of a defined benefit scheme	-	2

	2016 £'000	2015 £'000
Remuneration of the highest paid director:		
Emoluments	-	498

The accrued pension at 31 December 2016 for the highest paid director of the company is £nil per annum (2015 - £nil).

6. STAFF COSTS

	2016 £'000	2015 £'000
Wages and salaries	132	1,087
Social security costs	24	168
Other pension costs	4	88
	<u>160</u>	<u>1,343</u>

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

6. STAFF COSTS (CONTINUED)

Average monthly number of employees during the year was:

	2016 No.	2015 No.
Sales	1	3
Administration	2	8
	<u>3</u>	<u>11</u>

7. PENSION ARRANGEMENTS

The company participates in a funded pension scheme providing defined benefits for its employees and the employees of other group companies. Under the scheme, the employees are entitled to retirement benefits varying between 0% and 100% of final salary depending on length of service, on attainment of a retirement age of 65. No other post-retirement benefits are provided. The scheme is a funded scheme and in accordance with FRS 102, the pension scheme liabilities are accounted for in the financial statements of Huntleigh Healthcare Limited. The movement for the year is split between the Profit and Loss Account and Statement of Comprehensive Income.

The most recently completed full actuarial valuation of the scheme was carried out at 6 April 2014 by a firm of actuaries using the projected unit credit method. The principal actuarial assumptions were derived with reference to yield curves, which at the valuation date were equivalent to the following single rates: pre- and post-retirement investment return of 4.8% pa, RPI inflation of 3.6% pa, CPI inflation of 2.6% pa, and pension increases of between 0% pa and 3.3% pa dependant on when the pension was accrued.

The total market value of the scheme's assets at the valuation date was £51,788,000. The actuarial liability was valued at £65,146,000. This left a deficit under full actuarial valuation of £13,358,000.

In accordance with FRS 102, contributions paid by the company will be accounted for as a defined contribution scheme as the share of the assets and liabilities relating to the company cannot be separately identified. In this situation, FRS102 also requires a liability to be recognised, equal to the value of the deficit contributions that the company is required to pay. However, as there is no agreement in place for the company to make deficit contributions to the scheme, no liability is recognised in these accounts.

The full details of the deficit and assumptions used in the actuarial calculations are included in the financial statements of Huntleigh Healthcare Limited.

The annual costs charged to the profit and loss account for the year ended 31 December 2016 were £167,000 (2015: £88,000).

8. TAX ON LOSS ON ORDINARY ACTIVITIES

	2016 £'000	2015 £'000
Current tax		
United Kingdom corporation tax (credit)/charge at 20% (2015: 20.25%) based on the loss for the year	(63)	471
Deferred tax (see note 12)		
Timing differences, origination and reversal	(1)	(1)
Tax (credit)/charge on loss on ordinary activities	<u>(64)</u>	<u>470</u>

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

8. TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)

The tax for the year is higher (2015: higher) than the effective rate of corporation tax in the UK for the year ended 31 December 2016 of 20% (2015: 20.25%). The differences are explained below.

		2015 £'000
Loss on ordinary activities before taxation	(133)	(2,062)
Tax credit on loss on ordinary activities at standard rate of 20% (2015: 20.25%)	27	417
Factors affecting charge for the year:		
Expenses not deductible for tax	-	(1)
Adjustments in respect of prior years	(91)	54
Total tax (credit)/charge for the year	(64)	470

Factors affecting future tax charges

The UK corporation tax rate remains at 20% from 1 April 2016 and was reduced to 19% from April 2017. Future changes to UK corporation tax are further reductions to 17% from April 2020.

9. TANGIBLE ASSETS

	Plant and machinery £'000
Cost or valuation	
At 1 January 2016	92
Additions	2
Disposals	(26)
At 31 December 2016	68
Accumulated depreciation	
At 1 January 2016	(68)
Charge for the year	(3)
Disposals	5
At 31 December 2016	(66)
Net book value	
At 31 December 2016	2
At 31 December 2015	24

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2016

10. DEBTORS

	2016 £'000	2015 £'000
Trade debtors	245	460
Amounts owed by group undertakings	758	577
Other debtors	9	41
Deferred tax (see note 12)	3	3
Corporation tax	444	517
Prepayments and accrued income	6	18
	<u>1,465</u>	<u>1,616</u>

Amounts owed by parent and fellow subsidiary undertakings are unsecured, interest free and repayable on demand.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Bank overdraft	1,507	540
Trade creditors	2	-
Amounts owed to group undertakings	1,942	1,984
Other creditors	11	527
Accruals and deferred income	283	678
	<u>3,745</u>	<u>3,729</u>

Amounts owed to parent and fellow subsidiary undertakings are unsecured, interest free and payable on demand with the exception of a loan of £1,520,275 (2015: £1,805,000) from Arjo Ltd Med AB for which interest was charged at a fixed rate of 2.95% (2015: 2.65%).

12. DEFERRED TAXATION

The movement in deferred taxation in the year is as follows:

	2016 £'000	2015 £'000
As at 1 January	(4)	(5)
Credited to the profit and loss account	<u>1</u>	<u>1</u>
As at 31 December	<u>(3)</u>	<u>(4)</u>

Deferred taxation is comprised as follows:

	2016 £'000	2015 £'000
Depreciation in excess of capital allowances	<u>1</u>	<u>4</u>
	<u>1</u>	<u>4</u>

ARJO HUNTLEIGH INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2016

13. CALLED UP SHARE CAPITAL

	2016 £'000	2015 £'000
Authorised		
2 (2015: 2) ordinary shares of £1 each	-	-
Called up, allotted and fully paid		
2 (2015: 2) ordinary shares of £1 each	-	-

14. OPERATING LEASE ARRANGEMENTS

As at 31 December the company had total commitments for future lease payments under non-cancellable operating leases, expiring as follows:

	2016 £'000	2015 £'000
Within one year	-	6
In the second to fifth years inclusive	-	8
	-	14

15. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Getinge AB, a company incorporated in Sweden, as the ultimate holding company and controlling party and Huntleigh Healthcare Limited as the immediate parent company.

The smallest and largest group in which the results of the company are consolidated for the year ended 31 December 2016 is that headed by Getinge AB. Copies of the consolidated financial statements of Getinge AB which include the results of the company can be obtained from Getinge AB, PO Box 8861, SE-402 72 Gothenburg, Sweden.