

c4

Financial Statements

Medline Industries Limited

For the Year Ended 31 December 2015

Registered number: 03238147

SATURDAY



A5G715MH

A27

24/09/2016

#384

COMPANIES HOUSE

Medline Industries Limited
Registered number:03238147

Company Information

Directors	Mr J Abrams Mrs H Lienard Miss C Martin-Hondarza Sobrino
Company secretary	Mr J Abrams
Registered number	03238147
Registered office	No. 5 Booths Park Chelford Road Knutsford Cheshire WA16 8GS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB
Bankers	Deutsche Bank AG London 6 Bishopsgate London EC2P 2AT JP Morgan Chase Chaseside Bournemouth BH7 7DB
Solicitors	Dundas & Wilson LLP Northwest Wing Bush House Aldwych London WC2B 4EZ

Medline Industries Limited
Registered number:03238147

Contents

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 6
Statement of comprehensive income	7
Statement of financial position	8
Notes to the financial statements	9 - 21

Strategic Report

For the Year Ended 31 December 2015

Introduction

The directors present their strategic report and financial statements for the year ended 31 December 2015.

Business review

Turnover for 2015 amounted to £27,456,168, compared to £27,178,245 in 2014, however the gross profit margin achieved of £5.1m (2014 £6.3m) shows a downturn in profitability.

The company generated an operating profit from continuing operations of £779,656 compared to £1,149,139 (2014) and a profit before tax of £647,406 compared to £960,610 (2014).

Principal risks and uncertainties

Commercial risk

The company faces intense competition on both pricing and market share. This is managed through long standing relationships between the group and its customers. The group maintains its reputation for quality and service.

The company's operations expose it to a variety of financial risks.

Liquidity risk

The company's objective is to maintain an appropriate level of funding to support current operations. The cash flow is adequate to sustain operations in the short term. In addition the company's ultimate parent is committed to providing funding that may be required by the company to continue operations and take advantage of future growth opportunities.

Organisational and regulatory risks

The Medline organisation supplies products subject to internationally recognised standards. Medline Industries Limited specifically does not manufacture product and therefore does not have the exposure to these associated risks. Standards and Directives are under continuous periodic reviews and amendments, and as such require an ongoing process to review and determine the route to compliance. By adopting and integrating appropriate standards and directives, Medline Group maintain their ability to operate in all required markets.

Currency risk

The company is exposed to currency risk as sales are invoiced in sterling whilst the majority of direct costs are incurred in Euros. As a result the company is exposed to exchange gain variances between sterling and the Euro.

Management continually monitor the exposure of the company. The risk is mitigated to a certain extent, in that purchases are made from another subsidiary of the Medline Group and therefore management have some flexibility over the timing of payments.

Credit risk

There is a risk of loss to the group arising from financial difficulties experienced by customers and potentially the failure of customers to meet their financial obligations. The company manages this risk through credit control procedures. Management consider that the operational risk is reduced to an acceptable level.

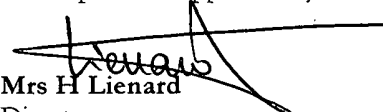
Strategic report (continued)

Financial key performance indicators

The Directors consider turnover gross profit margin, earnings before interest, tax, depreciation and amortization (EBITDA) and cash generation to be the main key performance indicators.

The objectives of the company for 2015 have been met; turnover has risen by 1% but gross profit has decreased to 18.8% (23.5% 2014). Gross margin has decreased due to distribution costs are now shown within cost of sales in the P&L. Retained profits and cash generation have improved the balance sheet position.

This report was approved by the board on 22 JUNE 2016 and signed on its behalf.


Mrs H Lienard
Director

Directors' Report

For the Year Ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with 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'. 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Results and dividends

The profit for the year, after taxation, amounted to £526,059 (2014 - £727,909).

No dividend was recommended at 31 December 2015 (2014: £nil)

Directors

The directors who served during the year were:

Mr J Abrams

Mrs H Lienard

Miss C Martin-Hondarza Sobrino (appointed 27 May 2015)

Future developments

To provide all of our UK customers with the complete range of Medline products offering the best solution for their hospitals. Develop strong relationships with each department within the hospital and convince them why we should be their partner of choice.

Directors' Report

For the Year Ended 31 December 2015

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

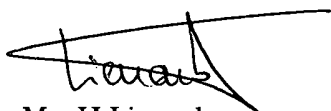
Post balance sheet events

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

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 June 2016 and signed on its behalf.



Mrs H Lienard
Director



Miss C Martin Hondarza Sobrino
Director

Independent Auditor's Report to the Members of Medline Industries Limited

We have audited the financial statements of Medline Industries Limited for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. 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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Medline Industries Limited

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.

Grant Thornton UK LLP

Christopher Martin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester

Date: *21 September 2016*

Statement of Comprehensive Income

For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover - continuing operations		27,456,168	27,178,245
Cost of sales		(22,289,372)	(20,787,629)
Gross profit		5,166,796	6,390,616
Distribution costs		(1,989,850)	(3,069,029)
Administrative expenses		(2,397,290)	(2,188,519)
Other operating income		-	16,071
Operating profit - continuing operations		779,656	1,149,139
Interest receivable and similar income	9	-	5,813
Interest payable and expenses	10	(132,250)	(194,342)
Profit before tax		647,406	960,610
Tax on profit	11	(121,347)	(232,701)
Profit for the year		526,059	727,909
Other comprehensive income for the year			
Total comprehensive income for the year		526,059	727,909


Statement of Financial Position

As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	12	154,161	204,984
		<u>154,161</u>	<u>204,984</u>
Current assets			
Debtors: amounts falling due within one year	13	4,928,330	5,081,620
Cash at bank and in hand	14	2,737,902	3,506,648
		<u>7,666,232</u>	<u>8,588,268</u>
Creditors: amounts falling due within one year	15	(5,845,437)	(7,344,355)
Net current assets		<u>1,820,795</u>	<u>1,243,913</u>
Total assets less current liabilities		<u>1,974,956</u>	<u>1,448,897</u>
Net assets		<u>1,974,956</u>	<u>1,448,897</u>
Capital and reserves			
Called up share capital	18	2	2
Profit and loss account	17	1,974,954	1,448,895
		<u>1,974,956</u>	<u>1,448,897</u>

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

22/6/16



Mrs H Lienard
Director



Miss C Martin-Hondarza Sobrino
Director

The notes on pages 9 to 21 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1. Company Information

Medline Industries Limited is a company limited by shares, incorporated in England. The registered office of the entity is No 5 Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8GS.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 23.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the projected financial commitments and cash flows of the company for a period extended for at least 12 months from the date of approval of these financial statements.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model 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 company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Leasehold Property improvements -	10	years
Plant and machinery -	5	years
Motor vehicles -	4	years
Office equipment -	5	years
Computer equipment -	5	years

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.

2.5 Operating leases: Lessee

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

The company's functional and presentational currency is [Enter currency here]. This differs from the presentational currency which is GBP. The reason for the difference is that... [Enter reasoning here]...

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 Statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution pension plan for its employees. 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 in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.14 Provisions for Liabilities

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

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the period end date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

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

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the period end date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the period end.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements in conformity with generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the directors believe that the critical accounting policies where judgements or estimates are necessarily applied are summarised below:

- The useful expected lives of property, plant and equipment
- The residual values of tangible fixed assets
- Bad debt provisions

Notes to the Financial Statements

For the Year Ended 31 December 2015

4. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Sale of goods	<u>27,456,168</u>	<u>27,178,245</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	<u>27,456,168</u>	<u>27,178,245</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2015 £	2014 £
Other operating income	-	16,071
	<u>-</u>	<u>16,071</u>

6. Profit on ordinary activities before taxation

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	44,350	44,858
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	21,900	18,840
Exchange differences	571	(74,410)
Defined contribution pension cost	<u>32,939</u>	<u>37,835</u>

During the year, no director received any emoluments (2014 - £NIL).

Notes to the Financial Statements

For the Year Ended 31 December 2015

7. Auditor's remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	21,900	18,840
	<u>21,900</u>	<u>18,840</u>

8. Employees

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,273,196	2,500,440
Social security costs	241,035	298,747
Cost of defined contribution scheme	32,939	37,835
	<u>2,547,170</u>	<u>2,837,022</u>

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

	2015 No.	2014 No.
Directors	3	3
Administration & finance	26	12
Sales & marketing	24	33
Third party employees	0	2
	<u>53</u>	<u>50</u>

9. Interest receivable

	2015 £	2014 £
Other interest receivable	-	5,813
	<u>-</u>	<u>5,813</u>

10. Interest payable and similar charges

	2015 £	2014 £
Loans from group undertakings	132,250	194,342
	<u>132,250</u>	<u>194,342</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

11. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	118,472	229,084
Adjustments in respect of previous periods	(48,563)	(7,076)
	<u>69,909</u>	<u>222,008</u>
Total current tax	<u>69,909</u>	<u>222,008</u>
Deferred tax		
Origination and reversal of timing differences	7,832	(9,402)
Effect of decreased tax rate on opening asset	13,161	653
Adjustments in respect of prior periods	30,445	19,442
	<u>51,438</u>	<u>10,693</u>
Total deferred tax	<u>51,438</u>	<u>10,693</u>
Taxation on profit on ordinary activities	<u>121,347</u>	<u>232,701</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>647,406</u>	<u>960,610</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	131,078	206,435
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	970	20,253
Adjustments to tax charge in respect of prior periods	(18,118)	12,366
Tax rate changes	13,161	749
Group relief	(5,744)	(7,102)
Total tax charge for the year	<u>121,347</u>	<u>232,701</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

11. Taxation (continued)

Factors that may affect future tax charges

Future changes in the UK corporation tax rate would affect future tax charges.

During the year the UK corporation tax rate was decreased.

12. Tangible fixed assets

	S/Term Leasehold Property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2015	168,894	33,901	30,862	81,554	315,211
Additions	-	-	-	3,406	3,406
Disposals	-	(19,763)	-	-	(19,763)
At 31 December 2015	168,894	14,138	30,862	84,960	298,854
Depreciation					
At 1 January 2015	31,737	13,419	18,516	46,553	110,225
Charge for the period	16,889	5,593	6,172	15,696	44,350
Disposals	-	(9,882)	-	-	(9,882)
At 31 December 2015	48,626	9,130	24,688	62,249	144,693
At 31 December 2015	120,268	5,008	6,174	22,711	154,161
At 31 December 2014	137,157	20,482	12,345	35,000	204,984

Notes to the Financial Statements

For the Year Ended 31 December 2015

12. Tangible fixed assets (continued)

The net book value of land and building may be further analysed as follows:

	2015 £	2014 £
Short leasehold	120,268	137,157
	<u>120,268</u>	<u>137,157</u>

13. Debtors

	2015 £	2014 £
Trade debtors	4,458,253	4,649,114
Amounts owed by group undertakings	5,591	20,374
Other debtors	11,603	5,640
Prepayments and accrued income	333,583	235,754
Deferred taxation	119,300	170,738
	<u>4,928,330</u>	<u>5,081,620</u>

14. Cash at bank and in hand

	2015 £	2014 £
Cash and cash equivalents	<u>2,737,902</u>	<u>3,506,648</u>

15. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	66,477	72,056
Amounts owed to group undertakings	1,813,300	2,832,821
Amounts owed to parent undertakings	2,500,088	2,475,904
Corporation tax	69,909	62,813
Taxation and social security	396,418	425,783
Accruals and deferred income	999,245	1,474,978
	<u>5,845,437</u>	<u>7,344,355</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

15. Creditors: Amounts falling due within one year (continued)

Amounts owed to group undertakings relate to trading transaction and are unsecured and interest free. £1,813,300 (2014: £2,832,821). Amounts owed to parent undertakings are unsecured and interest is payable at variable rates £2,500,088 (2014: £2,475,904).

16. Deferred taxation

	Deferred tax £
At 1 January 2015	170,738
Charged to the profit or loss	(51,438)
At 31 December 2015	119,300

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	81,225	106,673
Loss on loan relationships carried forward	31,472	34,969
Short term timing differences	6,603	29,096
	119,300	170,738

17. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

18. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

Notes to the Financial Statements

For the Year Ended 31 December 2015

19. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £32,939 (2014 - £37,835). Contributions totalling £Nil (2014 - £Nil) were payable to the fund at the balance sheet date and are included within other creditors.

20. Commitments under operating leases

At 31 December 2015 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Later than 5 years	<u>589,121</u>	<u>649,552</u>

21. Related party transactions

During the year, the company has no related party transactions other than trading transactions with other members of the Medline Group.

The company has taken advantage of the exemption in paragraph 33.1A of FRS 102 and has not disclosed transactions with group undertakings.

22. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Medline Stellar UK Limited, a company registered in England. Consolidated financial statements for the group can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate parent undertaking and controlling party is Medline Industries Inc, a company registered in the United States of America. The financial statements of the ultimate parent are not publicly available.

23. First time adoption of FRS 102

The company has adopted FRS 102 for the year ended 31 December 2015. No restatement of the comparative period was necessary between old UK GAAP and FRS 102..