

Registered number: 2296559

B. Braun Medical Limited

Annual report and financial statements

for the year ended 31 December 2015

B. Braun Medical Limited

Annual report and financial statements

for the year ended 31 December 2015

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B. Braun Medical Limited

Directors and advisers

Directors

H Hux (Chief Executive Officer)

P Parfaniuk

P Steel

Prof. M Ungethüm

D Darling

D Oates

P Skelton

Dr. A Beller

Registered office

Brookdale Road

Thornccliffe Park Estate

Chapelton

Sheffield

S35 2PW

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

St. Paul's Place

121 Norfolk Street

Sheffield

S1 2LE

Bankers

HSBC Bank plc

17 Church Street

Sheffield

S1 1HH

B. Braun Medical Limited

Strategic report for the year ended 31 December 2015

The directors present their strategic report on the company for the year ended 31 December 2015.

Principle activities

The company's principal activity during the year was the distribution of healthcare products and equipment, and the provision of services to the healthcare sector.

Review of the business and future developments

2015 again saw continued underlying growth from the core business but operating profitability was lower as a consequence of investments in the production and sales and marketing capabilities and higher costs of sales.

Taking into consideration the comments made in this review, both the level of business and the year end financial position were good. The directors expect that the strength in the core business will lead to continued growth in the 2016 year and for the foreseeable future.

The company supplies goods and services to the healthcare sector and the directors consider that demand is unlikely to decline significantly in the long term despite the current pressures placed upon public sector expenditure.

Previously, the company has invested significantly in the creation of three large decontamination centres, and funded the purchase of an established renal dialysis business on behalf of the B. Braun group. The company provided support to the new businesses as they became established, whilst continuing to seek new areas of growth for its existing core business. During 2010, a new Aseptic manufacturing facility was built and became operational. In 2011, the company extended its distribution facility in Sheffield. The company opened a new Technical Services facility in Sheffield in 2012 to further enhance its service portfolio. Having invested in staff and systems over recent years, the company's overriding objective is now to grow profitable revenue commensurate with its long term goals. The company began to expand its presence in the veterinary care market during 2014.

Principal risks and uncertainties

The directors consider that the effects of NHS initiatives on market pricing will continue to offer challenges. Furthermore, the directors have given due consideration to the levels of funding available to the NHS in the medium term. Future pension shortfalls also represent an area of uncertainty for the business. The directors continue to ensure that these factors are taken into account when planning.

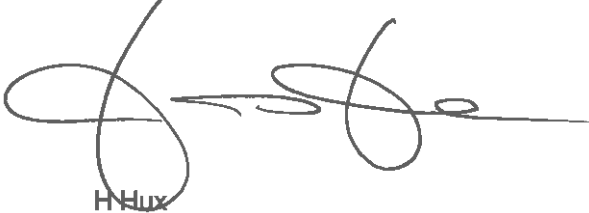
B. Braun Medical Limited

Strategic report for the year ended 31 December 2015 (continued)

Key performance indicators

The company uses key performance indicators to monitor current performance compared to agreed targets. The following observations have been made for the year ended 31 December 2015 compared to the year ended 31 December 2014. Gross profit as a percentage of sales revenue fell by 1.9% compared to the previous year (2014: remained static). Investment into the sales and marketing resource had the consequence that sales revenue per head decreased by £4,600 (2014: remained static). Supply chain costs as a percentage of sales was maintained at the previous year's level (2014: remained static). Generally this is in line with the directors' current expectation. The company achieved the Investors In People Gold award during 2012, and was awarded Investors in People Champion status in 2013.

On behalf of the Board

A handwritten signature in black ink, consisting of a large, stylized initial 'H' followed by a series of loops and a horizontal line extending to the right.

H Hux
Director

22 March 2016

B. Braun Medical Limited

Directors' report for the year ended 31 December 2015

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

Future developments

During 2016 the company intends to continue to diversify and expand its product and service offering whilst maintaining its existing focus on efficiency gains and profitability improvement. The company will also continue to develop new and innovative ways of working using the foundations of innovation, efficiency and sustainability.

Results and dividends

The income statement for the year is set out on page 9. The directors propose the payment of a final dividend of £6,500,000 (2014: £nil).

Charitable donations

The charitable contributions made by the company during the year amounted to £10,804 (2014: £6,891). There were no political contributions (2014: £nil). The purpose of all charitable donations made during the year was the improvement of welfare in the wider community.

Financial risk management

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

Price risk

The company is exposed to NHS initiatives on market pricing as a result of its operations. The level of exposure to this risk is monitored by the directors on an ongoing basis.

Credit risk

The company has implemented policies that require appropriate approval for potential customers before sales are made. Credit limits are set accordingly and are reviewed on an ongoing basis. Due to the nature of the company's customer base, the exposure to credit risk is considered to be low.

Liquidity risk

The continued availability of group funding ensures that the company has sufficient funds for operations and planned expansion.

Interest rate cash flow risk

Due to group financing arrangements in place, the directors do not consider that the company is significantly exposed to risk from fluctuations in interest rates.

B. Braun Medical Limited

Directors' report for the year ended 31 December 2015 (continued)

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

H Hux	(Chief Executive Officer)
P J Mitchell	(resigned 1 September 2015)
D Darling	
P Steel	
P Parfaniuk	
Prof. M Ungethüm	
D Oates	
P Skelton	
Dr. A Beller	
R P Matthews	(resigned 1 September 2015)

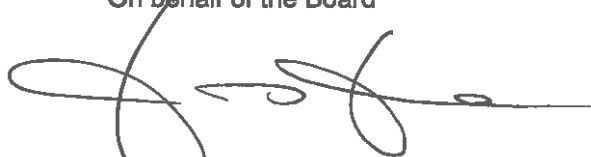
In accordance with the Articles of Association, none of the directors are required to retire by rotation.

Employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through internal newsletters, briefing groups and electronic communications with the intention of providing employees with information on matters of concern to them as employees, and raising awareness of the financial and the economic factors that affect the company's performance.

On behalf of the Board



H Hux
Director
22 March 2016

B. Braun Medical Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 reduced Disclosure Framework (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements
- notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

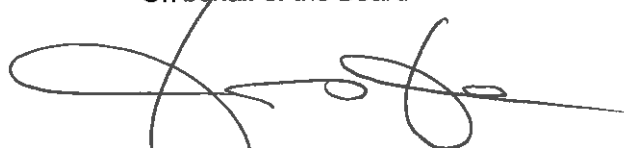
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

Disclosure of information to the auditors

The report must contain a statement to the effect that, in the case of each of the persons who are directors at the time when the report is approved, the following applies:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board



H. Hux
Director
22 March 2016

B. Braun Medical Limited

Independent auditors' report to the members of B. Braun Medical Limited

Report on the financial statements

Our opinion

In our opinion, B. Braun Medical Limited's financial statements (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.

What we have audited

The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the income statement and statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

B. Braun Medical Limited

Independent auditors' report to the members of B. Braun Medical Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Andy Ward (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Sheffield

22 March 2016

B. Braun Medical Limited

Income statement for the year ended 31 December 2015

	Note	2015 £'000	Restated 2014 £'000
Turnover	1	127,318	117,558
Cost of sales		(81,063)	(72,556)
Gross profit		46,255	45,002
Net operating expenses	2	(36,342)	(34,175)
Operating profit	5	9,913	10,827
Profit on sale of fixed assets	6	-	420
Interest receivable and similar income	7	437	448
Interest payable and similar charges	8	(138)	(277)
Profit on ordinary activities before taxation		10,212	11,418
Tax on profit on ordinary activities	9	(2,267)	(2,265)
Profit for the financial year		7,945	9,153

All items dealt with in arriving at operating profit above relate to continuing operations.

B. Braun Medical Limited

Statement of comprehensive income for the year ended 31 December 2015

	2015	Restated 2014
	£'000	£'000
Profit for the financial year	7,945	9,153
Actuarial loss on pension scheme	(269)	(1,675)
Movement on deferred tax relating to pension scheme	35	336
Total comprehensive income for the year	7,711	7,814

B. Braun Medical Limited

Balance sheet as at 31 December 2015

Registered number: 2296559

	Note	2015 £'000	Restated 2014 £'000
Fixed assets			
Intangible assets	10	160	375
Tangible assets	11	10,548	10,061
Investments	12	1,400	1,400
		12,108	11,836
Current assets			
Stocks	13	8,171	7,862
Debtors: amounts falling due within one year	14	25,911	20,501
Debtors: amounts falling due after more than one year	14	27,061	28,747
Cash at bank and in hand		233	232
		61,376	57,342
Creditors: amounts falling due within one year	15	(28,811)	(32,420)
Net current assets		32,565	24,922
Total assets less current liabilities		44,673	36,758
Creditors: amounts falling due after more than one year	16	(2,160)	(1,822)
Provision for liabilities	17	(256)	(170)
Net assets excluding pension liability		42,257	34,766
Pension liability	22	(1,410)	(1,630)
Net assets including pension liability		40,847	33,136
Capital and reserves			
Called up share capital	19	10,000	10,000
Retained earnings		30,847	23,136
Total shareholders' funds		40,847	33,136

The financial statements on pages 9 to 42 were approved by the Board of directors on 22 March 2016 and were signed on it's behalf by:



P Skelton
Director

B. Braun Medical Limited

Statement of changes in equity for the year ended 31 December 2015

	Called up share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2014 (as previously reported)	10,000	15,806	25,806
Adjustments on transition to FRS 101	-	(484)	(484)
Restated balance at 1 January 2014	10,000	15,322	25,322
Profit for the financial year	-	9,153	9,153
Other comprehensive income	-	(1,339)	(1,339)
Restated balance at 31 December 2014	10,000	23,136	33,136
Profit for the financial year	-	7,945	7,945
Other comprehensive income	-	(234)	(234)
At 31 December 2015	10,000	30,847	40,847

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

1. General information

The company's principal activity is the distribution of healthcare products and equipment, and the provision of services to the healthcare sector.

The company is a private limited company, domiciled and incorporated in the United Kingdom. The address of its registered office is Brookdale Road, Thorncliffe Park Estate, Chapeltown, Sheffield, S35 2PW.

2. Statement of accounting policies

Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with United Kingdom Accounting Standards, in particular Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006. For all periods up to and including 31 December 2014, the company prepared its financial statements in accordance with United Kingdom generally accepted accounting practice (UK GAAP). The financial statements for the year ended 31 December 2015 are the first the company has prepared in accordance with FRS 101.

Accordingly, the company has prepared financial statements which comply with FRS 101 applicable for periods ending on or after 31 December 2015, together with comparative period data as at and for the year ended 31 December 2014, as described in the accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 January 2014, the company's date of transition to FRS 101.

FRS 101 sets out a reduced disclosure framework for a qualifying entity that would otherwise apply the recognition, measurement and disclosure requirement of EU-adopted IFRS. The company is a qualifying entity for the purposes of FRS 101. Note 23 provides details of the company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

A summary of the disclosure exemptions adopted for the period ended 31 December 2015 is presented below.

- IFRS 7, "Financial Instruments; Disclosures"
- Paragraph 38 of IAS 1, "Presentation of financial statements" comparative information requirements in respect of:
 - paragraph 73 (e) of IAS 16 Property, plant and equipment
 - paragraph 118 (e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, "Presentation of financial statements":
 - 10 (d) (statement of cash flows)
 - 10 (f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements or when it reclassifies items in its financial statements),

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Basis of preparation (continued)

- 6 (statement of compliance with all IFRS)
- 38 A (requirement for minimum of two primary statements, including cash flow statements)
- 38 B-D (additional comparative information)
- 40 A-D (requirements for a third statement of financial position)
- 111 (cash flow statement information), and
- 134 – 136 (capital management disclosures)
- IAS 7, "statement of cash flows"
- Paragraph 17 of IAS 24 "Related party disclosures" (key management compensation)
- The requirements of IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.

The company's shareholders have been notified and have not objected to the use of exemptions.

Revenue

Revenue represents the fair value of goods supplied and services provided, stated net of discounts, agreed rebate payments and value added tax. Specific criteria are set out below for the company's principal activities.

Supply of goods

Under normal circumstances, revenue is recognised upon despatch of healthcare products and equipment. Where consignment stock arrangements are in place, revenue is recognised upon notification by the customer that the product has been withdrawn from consignment or, where relevant, on expiry of a fixed contractual term.

Service provision

The Company also provides a wide and varied range of services to the healthcare sector, which are often distinct to the distribution of healthcare products. These are treated as separate transactions for the purposes of revenue recognition. In all cases, revenue is recognised when services are rendered, and in the case of ongoing service, by reference to the stage of completion in accordance with the contractual agreement.

Leasing

The Company provides equipment to customers under a variety of leasing arrangements. In the vast majority of cases, these are classified as operating leases within the criteria of IAS 17, and revenue is recognised on a straight-line basis over the lease term. Where the risk and rewards of ownership are deemed to have transferred to the customer, finance lease accounting is adopted.

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currency are translated at the rate ruling at the date of the transaction. All differences on exchange are taken to the income statement.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment each financial year.

The amortisation rates used for this purpose are:

Customer contracts and software	15% - 20%
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Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual value, on a straight-line basis over their estimated economic lives. The depreciation rates used for this purpose are:

Freehold buildings	2-3%
Leasehold improvements	life of lease
Plant and machinery	10%
Computer equipment	20%
Fixtures and fittings	10-33%
Tooling	33%
Demonstration assets	20-33%
Assets in the course of construction	Nil

Freehold land is not depreciated.

Assets in the course of construction are transferred to the relevant assets categories on completion.

Investments

Investments in subsidiaries are stated in the balance sheet at cost less any provision for impairment.

Leases

The company leases certain property, plant and equipment. Leases in which substantially all of the risks and rewards of ownership are retained by the lessor are classified by the lessor as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Leases (continued)

The method for allocating earnings to accounting periods is referred to as the 'actuarial method'. The actuarial method allocates rentals between finance income and repayment of capital in each accounting period in such a way that finance income will emerge as a constant rate of return on the lessor's net investment in the lease.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

Equipment leased to customers

Equipment leased to customers under finance leases is deemed to be sold at normal selling value which is taken to revenue at the inception of the lease. Debtors under finance leases represent outstanding amounts due under these agreements less finance charges allocated to future periods. Finance lease interest is recognised over the primary period of the lease.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first in, first out basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and an appropriate proportion of production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period which are classified as non-current assets. The company's loans and receivables comprise receivables and cash in the balance sheet.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost.

Pensions

The company operates four separate pension schemes, three of which are closed to new members. Of the closed schemes one is a defined benefit pension scheme, the assets of which are held separately from those of the company in independently administered funds. The scheme was funded by contributions partly from the employees and partly from the company at rates determined by independent actuaries. This scheme is now closed to new members and to future accrual.

Pension scheme assets are measured using market value, where this market value is bid price for quoted securities. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Pensions (continued)

The increase in the present value of the liabilities of the company's defined benefit pension schemes expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in other finance costs. Actuarial gains and losses are recognised in the statement of comprehensive income.

Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet net of related deferred tax.

The three further schemes are defined contribution schemes, which are funded by contributions partly from employees and partly from the company. One of these schemes is administered by Assicurazioni Generali SpA and is closed to new members. Another, administered by Scottish Widows plc, is also closed to new members. During the previous year the first contributions were paid into a new scheme which is administered by Aviva. This scheme was started to ensure that a contribution structure suitable for the company's obligations under the auto-enrolment legislation was available for the staging date of 1 January 2014.

Costs of defined contribution schemes represent the amounts payable in the year.

Further details are set out in note 22.

The company provides no other post retirement benefits to its employees.

Deferred taxation

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at average rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event and it is probable that a transfer of economic benefits will be required to settle the obligation, and where a reliable estimate can be made of the amount of the obligation.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Related party transactions

In accordance with the exemption allowed by IFRS 12 "Disclosures of interests in other entities", transactions with entities that are part of the B. Braun Melsungen AG group are not disclosed.

Exemption from the obligation to prepare group financial statements and a cash flow statement.

The company is a wholly-owned subsidiary of B. Braun Melsungen AG and the results and cash flows of the company are included in the consolidated financial statements of that company. Accordingly, the company has chosen to take the exemption under the Companies Act 2006 Section 401 from preparing group financial statements and the exemption under FRS 101 paragraph 8 (g) from the obligation to prepare a cash flow statement.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

Statement of accounting policies (continued)

Critical accounting estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to them are recognised in the period in which they are revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Useful economic lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation and the physical condition of the assets. See notes 10 and 11 for the carrying values of plant, property and equipment.

(b) Inventory provisioning

The company sells healthcare products and is subject to changing customer demands. As a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 13 for the net carrying amount of the inventory.

(c) Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 22 for the disclosures relating to the defined benefit pension scheme.

(d) Impairment of investments in subsidiaries

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments, and also suitable discount rates in order to calculate present values.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015

1 Turnover

The company has chosen to take the exemption under IFRS 8 "Operating segments" from presenting a segmental analysis of turnover.

2 Net operating expenses

	2015	2014
	£'000	£'000
Sales and distribution costs	33,126	30,809
Administrative expenses	3,216	3,366
Net operating expenses	36,342	34,175

3 Employee information

	2015	2014
	£'000	£'000
Wages and salaries	21,384	19,092
Social security costs	2,652	2,360
Other pension costs (note 22)	1,852	1,725
	25,888	23,177

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	2015	2014
	Number	Number
Production	77	66
Sales and administration	425	392
	502	458

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

4 Directors' emoluments

	2015	2014
	£'000	£'000
Aggregate emoluments (excluding pensions)	1,447	1,347
Emoluments payable to the highest paid director are as follows:		
	2015	2014
	£'000	£'000
Aggregate emoluments and benefits	449	378
Money purchase pension scheme:		
- Company contributions paid	52	33

Retirement benefits are accruing to two (2014: two) directors under a defined benefit scheme and to five under a money purchase scheme (2014: six). Company contributions in respect of directors that are members of the money purchase scheme totalled £208,000 for the year (2014: £194,000).

The emoluments of Prof. M Ungethüm and Dr. A Beller are paid by other group companies. These directors are also directors of the ultimate parent company and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of these directors. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the ultimate parent company.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

5 Operating profit

	2015	2014
	£'000	£'000
<hr/>		
Operating profit is stated after (crediting)/charging:		
Depreciation charge for the year		
- intangible assets	259	254
- tangible assets	1,274	1,327
Accelerated amortisation	-	247
Auditors' remuneration for:		
- audit	81	79
- taxation services	46	26
- other services	10	28
Foreign exchange gains/(losses)	24	19
Operating leases	1,698	1,589
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B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

6 Profit on sale of fixed assets

During 2009, the company announced the decision to close the manufacturing unit at Allen Street, Sheffield, and discontinue the sale of Downs' products to overseas customers. There has been no trade since 31 December 2011 and the profits recognised in the prior year represent the final tranche of disposal of fixed assets from the discontinued operation.

	2015	2014
	£'000	£'000
Profit on sale of fixed assets	-	420

7 Interest receivable and similar income

	2015	Restated 2014
	£'000	£'000
Interest receivable on finance leases	29	9
Group interest receivable	408	438
Interest on corporation tax receivable	-	1
	437	448

8 Interest payable and similar charges

	2015	Restated 2014
	£'000	£'000
On bank loans and overdrafts	1	43
Group interest payable	68	224
Other finance cost (note 22)	51	10
Interest expense on finance leases	18	-
	138	277

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

9 Tax on profit on ordinary activities

	2015	Restated 2014
	£'000	£'000
Current tax:		
UK corporation tax on profits of the year	2,045	2,388
Adjustments in respect of prior years	26	(189)
Total current tax	2,071	2,199
Deferred tax:		
Origination and reversal of timing differences	162	188
Adjustments in respect of previous years	50	(107)
Changes in tax rates	(16)	(15)
Total deferred tax (note 18)	196	66
Total tax on profit on ordinary activities	2,267	2,265

The tax assessed for the year is higher (2014: lower) than the standard rate of corporation tax in the UK of 20.25% (2014: 21.25%). The differences are explained below:

	2015	Restated 2014
	£'000	£'000
Profit on ordinary activities before taxation	10,212	11,418
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	2,068	2,455
Effects of:		
Expenses not deductible for tax purposes	139	121
Changes in tax rates	(16)	(15)
Adjustments in respect of prior years	76	(296)
Total tax charge for the year	2,267	2,265

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

9 Tax on profit on ordinary activities (continued)

Factors affecting current and future tax changes

During the year as a result of changes in the UK corporation tax rate to 21% which were substantively enacted on 2 July 2013 and were effective from 1 April 2014, and to 20% which were substantively enacted on 2 July 2013 and were effective from 1 April 2015, the current tax rate decreased to a hybrid rate of 20.25% for the year ended 31 December 2015.

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 on 26 October 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

10 Intangible assets

	Customer contracts	Software	Total
	£'000	£'000	£'000
Cost			
At 1 January 2015 restated	321	1,640	1,961
Additions	-	44	44
At 31 December 2015	321	1,684	2,005
Accumulated amortisation			
At 1 January 2015 restated	252	1,334	1,586
Charge for the year	15	244	259
At 31 December 2015	267	1,578	1,845
Net book amount			
At 31 December 2015	54	106	160
At 1 January 2015 restated	69	306	375

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

11 Tangible assets

	Land and buildings		Assets in the course of construction	Technical equipment and machinery	Demonstration and consignment assets	Computer and office equipment	Total
	Freehold	Long leasehold					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 January 2015 restated	9,388	485	23	2,045	7,379	3,486	22,806
Additions	327	-	185	188	988	111	1,799
Reclassifications	-	-	(23)	-	23	-	-
Disposals	-	-	-	-	(633)	(102)	(735)
At 31 December 2015	9,715	485	185	2,233	7,757	3,495	23,870
Accumulated depreciation							
At 1 January 2015 restated	3,152	280	-	763	5,835	2,715	12,745
Charge for the year	250	16	-	96	759	153	1,274
Disposals	-	-	-	-	(595)	(102)	(697)
At 31 December 2015	3,402	296	-	859	5,999	2,766	13,322
Net book amount							
At 31 December 2015	6,313	189	185	1,374	1,758	729	10,548
At 31 December 2014 restated	6,236	205	23	1,282	1,544	771	10,061

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

12 Investments

	Interest in group undertakings £'000
Cost of investment at 1 January and 31 December 2015	3,400
Accumulated impairment at 1 January and 31 December 2015	(2,000)
Net book amount at 1 January and 31 December 2015	1,400

Interest in group undertakings

Details of interests in group undertakings are as follows:

Name of undertaking	Description of shares held	Proportion of nominal value of issued shares held		Aggregate capital & reserves £'000	Profit/(loss) for the year £'000
		Direct	Indirect		
B. Braun Sterilog Limited	Ordinary	100%	-	(10,852)	(641)
Downs Surgical Limited	Ordinary	100%	-	1,400	-
Aesculap Academia Company Limited	Ordinary	100%	-	-	-
B. Braun Healthcare Limited	Ordinary	73.5%	-	422	-
B. Braun Sterilog (Yorkshire) Limited	Ordinary	-	100%	(3,436)	245
B. Braun Sterilog (Birmingham) Limited	Ordinary	-	100%	(4,154)	448

The directors believe that the carrying value of the investments is supported by the underlying net assets of the investments.

All companies are registered and incorporated in England and Wales and have a year end of 31 December.

B. Braun Sterilog Limited is a holding company for the investments in B. Braun Sterilog (Yorkshire) Limited and B. Braun Sterilog (Birmingham) Limited. Both B. Braun Sterilog (Yorkshire) Limited and B. Braun Sterilog (Birmingham) Limited operate decontamination centres as outsourced facilities for the NHS and other third party companies.

Downs Surgical Limited, Aesculap Academia Company Limited and B. Braun Healthcare Limited are non-trading.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

13 Stocks

	2015	2014
	£'000	£'000
Raw materials and consumables	95	123
Work in progress	88	125
Finished goods and goods for resale	7,988	7,614
	8,171	7,862

14 Debtors

	2015	Restated 2014
	£'000	£'000
Amounts falling due within one year		
Trade debtors	19,715	19,012
Amounts owed from group undertakings	411	583
Loans receivable from group undertakings	4,516	-
Other debtors	273	133
Prepayments and accrued income	817	677
Finance lease receivable	179	96
	25,911	20,501

Loans receivable and amounts owed by group undertakings are unsecured and have no fixed date of repayment. Interest is received on loans receivable at LIBOR plus 1.00% (2014: LIBOR plus 1.00%). No interest is receivable on group debtors.

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

14 Debtors (continued)

	2015	Restated 2014
	£'000	£'000
Amounts falling due after more than one year		
Finance lease receivable	514	194
Loans receivable from group undertakings	26,247	28,179
Deferred tax (note 18)	300	374
	27,061	28,747

	2015	2014
	£'000	£'000
Net investment in finance leases comprises:		
Total amounts receivable	796	300
Less: Interest allocated to future periods	(103)	(10)
	693	290

Amounts receivable during the year under finance lease contracts amounted to £190,000 (2014: £101,000).

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

15 Creditors: amounts falling due within one year

	2015	Restated 2014
	£'000	£'000
Bank loans and overdrafts	6	13
Trade creditors	2,870	2,156
Amounts owed to group undertakings	13,117	18,139
Other taxation and social security payable	4,274	4,355
Accruals and deferred income	7,451	6,482
Finance lease payable	49	-
Corporation tax liability	1,044	1,275
	28,811	32,420

Included in amounts owed to group creditors in 2014 is an inter company loan from B. Braun Melsungen AG. This amount is unsecured and interest is payable at LIBOR plus 1.00% (2014: LIBOR plus 1.00%). The remaining amounts are unsecured and no interest is payable on the liability.

16 Creditors: amounts falling due after more than one year

	2015	2014
	£'000	£'000
Amounts owed to group undertakings	1,822	1,822
Finance lease payable	338	-
	2,160	1,822

17 Provisions for liabilities and charges

Deferred taxation provided in the financial statements is analysed as follows:

	2015	2014
	£'000	£'000
Capital allowances in excess of depreciation (note 18)	256	170

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

18 Deferred taxation

Deferred taxation provided in the financial statements is analysed as follows:

	£'000
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At 1 January 2015 restated:	
Deferred tax liability due to accelerated capital allowances and short term timing differences	122
Deferred tax asset on the pension scheme	(326)
At 31 December 2014:	(204)
Deferred tax charge in income statement	196
Deferred tax credit to the statement of comprehensive income	(35)
At 31 December 2015:	(44)
Deferred tax liability due to accelerated capital allowances and short term timing differences	210
Deferred tax asset on the pension scheme	(254)
	(44)
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	2015	Restated
	£'000	2014
		£'000
<hr/>		
Tax effect of timing differences because of:		
Capital allowances in excess of depreciation	256	170
Other timing differences	(46)	(48)
Deferred tax liability excluding that relating to pension scheme	210	122
Deferred tax asset on the pension scheme (note 22)	(254)	(326)
Net deferred tax asset	(44)	(204)
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B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

19 Called up share capital

	Issued and fully paid	
	2015 £'000	2014 £'000
9,375,000 Ordinary shares of £1 each	9,375	9,375
625,000 Ordinary non-voting shares of £1 each	625	625
	10,000	10,000

The ordinary shares and non-voting shares rank pari passu in all respects so that holders of non-voting shares are entitled to notice of and to attend general meetings but have no right to speak or vote at those meetings.

20 Contingent liabilities

Contingent liabilities in respect of guarantees given to HMRC for VAT deferment duty amount to £150,000 (2013: £150,000). Contingent liabilities in respect of other guarantees amount to £nil (2013: £nil).

In the opinion of the directors no loss will arise in connection with these guarantees.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

21 Financial commitments

Operating leases comprise leases and rentals of properties, vehicles and other equipment. The total expense under operating leases in the income statement amounted to £1,698,000 (2014:£1,589,000).

At 31 December 2015, future minimum lease payments under non-cancellable operating lease contracts were as follows:

	2015	2014
	£'000	£'000
Within one year	1,771	1,491
Within two to five years	2,015	1,455
After five years	651	753
	4,437	3,699

	2015	2014
	£'000	£'000
Leasing categories		
Rental expense relating to properties	103	103
Rental expense relating to cars, machinery and computers	1,595	1,486
Expensed payments relating to operating leases	1,698	1,589

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

22 Pension commitments

The company operates a defined benefit pension scheme with assets held separately from those of the company in independently administered funds. The scheme provides retirement benefits on the basis of members' final salary. On 1 July 1999, the defined benefit scheme was closed to new members and on 30 September 2007 it was closed to future accrual.

The company also has three defined contribution schemes. One is administered by Assicurazioni Generali SpA and is closed to new members. Another is administered by Scottish Widows plc and is also closed to new members. During 2013 the company opened a new scheme which is administered by Aviva in order to meet its auto-enrolment obligations from its staging date of 1 January 2014.

The total pension cost for the year was £1,903,000 (2014: £1,735,000). At the year end £153,000 (2014: £nil) is included in accruals.

Defined benefit scheme

A full actuarial valuation was carried out at 31 March 2012 and updated to 31 December 2015 by qualified independent actuaries. The major assumptions used by the actuary as at 31 December 2015 were:

	31 December 2015	31 December 2014
Inflation assumption	2.0%	2.0%
Rate of increase in salaries	N/a	N/a
Discount rate	3.9%	3.8%
Rate of increase in pensions in payment	2.0%	2.0%

The mortality assumptions used were as follows:

	2015 Years	2014 Years
Male member aged 65 (current life expectancy)	21.3	21.4
Male member aged 45 (life expectancy at age 65)	23.5	23.7

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

22 Pension commitments (continued)

The assets in the scheme were:

	Value as at 31 December 2015 £'000	Value as at 31 December 2014 £'000
Equities	3,213	3,092
Bonds	5,454	5,459
Cash	10	185
Other	8,096	8,195
	16,773	16,931

The scheme is closed to future accrual however as it is in deficit a recovery plan was agreed on 17 December 2015 whereby the company will contribute £540,00 per annum in order to eliminate the deficit by May 2023.

Expected benefit payments at 31 December 2015 were as follows:

Year 1	£586,945
Year 2	£596,031
Year 3	£605,293
Year 4	£614,733
Year 5	£624,357
Next 5 years	£3,272,872

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

22 Pension commitments (continued)

The following amounts at 31 December 2015 were measured in accordance with the requirements of IAS 19 "Employee benefits (amended 2011)":

Pension liability	2015	2014
	£'000	£'000
Total market value of assets	16,773	16,931
Present value of scheme liabilities	(18,183)	(18,561)
Deficit in the scheme	(1,410)	(1,630)

Reconciliation of present value of scheme liabilities	2015	2014
	£'000	£'000
At 1 January	18,561	16,120
Interest cost	687	749
Actuarial (gains)/losses	(207)	2,316
Benefits paid	(858)	(624)
At 31 December	18,183	18,561

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

22 Pension commitments (continued)

Sensitivity analysis of scheme liabilities

The sensitivity of the present value of scheme liabilities to changes in the principle assumptions used is set out below:

	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%	Decrease by 17%
Discount rate	Decrease by 1%	Increase by 20%
Inflation rate	Increase by 1%	Increase by 14%
Inflation rate	Decrease by 1%	Decrease by 12%
Mortality	Increase by 1 year	Decrease by 9%
Mortality	Decrease by 1 year	Increase by 9%

Reconciliation of present value of scheme assets	2015	2014
	£'000	£'000
At 1 January	16,931	15,635
Expected return on scheme assets	636	739
Actuarial (losses)/gains on plan assets	(476)	641
Employer contributions	540	540
Benefits paid from plan	(858)	(624)
At 31 December	16,773	16,931

Scheme assets do not include any of the financial assets of B. Braun Medical Limited or any property occupied by B. Braun Medical Limited.

The expected return on scheme assets is determined by considering the asset classes held and assuming rates of return consistent with current yields as well as long term equity out-performance over gilts of 3.5% per annum.

The actual gain on scheme assets in the year was £160,000 (2014: gain of £1,380,000).

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

22 Pension commitments (continued)

The following amounts are recognised in the performance statements in the year to 31 December 2014 under the requirements of IAS 19 "Employee benefits (amended 2011)":

	2015	Restated 2014
	£'000	£'000
Operating profit		
Current service cost	-	-
Other finance cost		
Expected return on pension scheme assets	(636)	(739)
Interest on pension scheme liabilities	687	749
Net expense	51	10

Actuarial gains and losses

The cumulative amount of actuarial losses recognised in the statement of comprehensive income is £931,000 (2014: £662,000).

Actuarial valuation

The defined benefit scheme was closed to new members on 1 July 1999 and closed to future accrual on 30 September 2007. The total contribution expected to be made to the scheme by B. Braun Medical Limited in the year to 31 December 2016 is £540,000 (2015: £540,000).

Defined contribution scheme

The cost of contributions to the defined contribution scheme amounted to £1,852,000 (2014: £1,725,000). At the year end £153,000 (2014: £nil) is included in accruals.

23 Ultimate parent company

The directors regard B. Braun Melsungen AG, a company registered in Germany, as the ultimate parent company and controlling party. According to the register kept by the Company, B. Braun Melsungen AG has a 50% interest in the equity of B. Braun Medical Limited at 31 December 2015 and Aesculap International GmbH, a company registered in Germany, has the remaining 50% interest. Aesculap International GmbH itself is 100% owned by B. Braun Melsungen AG. Copies of the parent's consolidated financial statements may be obtained from PO Box 110, D3508 Melsungen, Germany.

B. Braun Melsungen AG is the smallest and largest group in which these results are consolidated.

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

24 Impact of transition to FRS 101

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with United Kingdom Financial Reporting Standard 101 (FRS 101).

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2014, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required by FRS 100 for the first time adoption of FRS 101. This note explains the principle adjustments made by the company in restating its UK GAAP balance sheet as at 1 January 2014 and its previously published UK GAAP financial statements for the year ended 31 December 2014.

On transition to FRS 101, the company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards".

The adjustments necessary to comply with FRS 101, "Reduced Disclosure Framework" are set out below:

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

24 Impact of transition to FRS 101 (continued)

Reconciliation of equity at transition date – 1 January 2014

	UK GAAP £'000	Adjustments £'000	FRS 101 £'000
Fixed assets			
Intangible assets	-	555	555
Tangible assets	10,908	(555)	10,353
Investments	1,400	-	1,400
	12,308	-	12,308
Current assets			
Stocks	8,577	-	8,577
Debtors: amounts falling due within one year	20,245	(144)	20,101
Debtors: amounts falling due after more than one year	30,674	-	30,674
Cash at bank and in hand	639	-	639
	60,135	(144)	59,991
Creditors: amounts falling due within one year	(44,427)	(243)	(44,670)
Net current assets	15,708	(387)	15,321
Total assets less current liabilities	28,016	(387)	27,629
Creditors: amounts falling due after more than one year	(1,822)	-	(1,822)
Net assets excluding pension liability	26,194	(387)	25,807
Pension liability	(388)	(97)	(485)
Net assets including pension liability	25,806	(484)	25,322
Capital and reserves			
Called up share capital	10,000	-	10,000
Profit and loss account	15,806	(484)	15,322
Total shareholders' funds	25,806	(484)	25,322

B. Braun Medical Limited

Notes to the financial statements
for the year ended 31 December 2015 (continued)

24 Impact of transition to FRS 101 (continued)

Reconciliation of equity at 31 December 2014

	UK GAAP £'000	Adjustments £'000	FRS 101 £'000
Fixed assets			
Intangible assets	69	306	375
Tangible assets	10,367	(306)	10,061
Investments	1,400	-	1,400
	11,836	-	11,836
Current assets			
Stocks	7,862	-	7,862
Debtors: amounts falling due within one year	20,501	-	20,501
Debtors: amounts falling due after more than one year	28,556	191	28,747
Cash at bank and in hand	232	-	232
	57,151	191	57,342
Creditors: amounts falling due within one year	(32,434)	14	(32,420)
Net current assets	24,717	205	24,922
Total assets less current liabilities	36,553	205	36,758
Creditors: amounts falling due after more than one year	(1,822)	-	(1,822)
Provision for liabilities	-	(170)	(170)
Net assets excluding pension liability	34,731	35	34,766
Pension liability	(1,304)	(326)	(1,630)
Net assets including pension liability	33,427	(291)	33,136
Capital and reserves			
Called up share capital	10,000	-	10,000
Profit and loss account	23,427	(291)	23,136
Total shareholders' funds	33,427	(291)	33,136

B. Braun Medical Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

24 Impact of transition to FRS 101 (continued)

Reconciliation of statement of comprehensive income for the year ended 31 December 2014

	UK GAAP £'000	Adjustments £'000	FRS 101 £'000
Turnover	117,558	-	117,558
Cost of sales	(72,556)	-	(72,556)
Gross profit	45,002	-	45,002
Net operating expenses	(34,175)	-	(34,175)
Operating profit	10,827	-	10,827
Profit on sale of fixed assets	420	-	420
Interest receivable and similar income	701	(253)	448
Interest payable and similar charges	(267)	(10)	(277)
Profit on ordinary activities before taxation	11,681	(263)	11,418
Tax on profit on ordinary activities	(2,539)	274	(2,265)
Profit for the financial year	9,142	11	9,153
Other comprehensive income	(1,521)	182	(1,339)
Total comprehensive income for the year	7,621	193	7,814

Intangible assets

Computer software 1 January 2014, has been reclassified from tangible to intangible assets as required under FRS 101. This has no effect on the company's net assets nor on the profit for the year, except that the previous depreciation charge is now described as amortisation.

Defined benefit pension scheme

Under previous UK GAAP the company recognised an expected return on defined benefit plan assets in the profit and loss account. Under FRS 101 a net interest expense, based on the net defined benefit liability, is recognised in the profit and loss account. There has been no change in the defined benefit liability at either 1 January 2014 or 31 December 2014. The effect of the change has been to reduce the credit to the profit and loss account in the year to 31 December 2014 by £263,000 and reduce the charge to other comprehensive income by an equivalent amount.

Under UK GAAP the defined benefit liability was stated net of the related deferred tax asset of £326,000 at 31 December 2014. Under FRS 101 the deferred tax balance is disclosed separately within debtors.