

Company Registration No. 2744870

**HUNTLEIGH INTERNATIONAL
HOLDINGS LIMITED**

Report and Financial Statements

31 December 2017

THURSDAY



S7GTWEI4
SPE 18/10/2018 #110
COMPANIES HOUSE

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

CONTENTS

Page

Officers and professional advisers	1
Strategic report	2
Directors' report	3
Profit and loss account	5
Statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2016

OFFICERS AND PROFESSIONAL ADVISERS

Directors

K Ibrahim
G A Nix
S S Gill

Secretary

K Ibrahim

Registered Office

ArjoHuntleigh House
Houghton Hall Business Park
Dunstable
Bedfordshire
LU5 5XF

Bankers

SEB
One Carter Lane
London
EC4V 5AN

Solicitors

Gowling WLG
Two Snowhill
Birmingham
B4 6WR

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2017.

PERFORMANCE REVIEW

The company's principal activity is that of an investment company.

The results for the year are set out in the profit and loss account on page 5. The directors are satisfied with the result achieved by the company and expect the level of activity to be similar in the year ahead.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's operations expose it to interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of intercompany debt and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Interest rate cash flow risk

The company has interest bearing liabilities. Interest bearing liabilities include only loans from fellow group companies, all of which earn interest at a fixed rate. The group's existing intercompany debt is at fixed rates. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Further information about risks and their mitigation thereof is outlined on pages 52, 53 and 92 of Arjo AB Group's 2017 annual report.

Currency risks

There are no payments as a result of sales income and expenses for goods sold in foreign currencies to cause currency exposure that affects company profits in the event of exchange rate fluctuations.

Credit risks

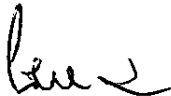
The company's principal financial assets are other receivables and investments. Commercial credit risks are limited due to the company being a holding company.

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

Price risks

The company is not subject to price risk on sale of goods to third parties. Other purchases and sales are between group companies where group policy and direction ensures that prices are fair and result in a commercial return for the services provided.

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



GA Nix

Director

16 October 2018

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

DIRECTORS REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2017.

GOING CONCERN

Having regard for the strategic report, given the company's financial performance for the year ended 31st December 2017, the directors have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

DIVIDENDS

The directors recommend the payment of £99,248,667 as dividend (2016 - £nil).

DIRECTORS

The directors who served during the year and subsequently were as follows:

K Ibrahim
G A Nix
S S Gill

KEY PERFORMANCE INDICATORS

The operating loss is due to a reduction in the dividends received in 2017.

The company's profit for the financial year increased to £98,751,333 (2016: £20,596) and working capital (the ratio of current assets to current liabilities) has increased to 0.269 (2016: 0.054).

There were no employees for the year ended 31 December 2017 (2016 - Nil).

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

No qualifying third party indemnity provision was in force for the benefit of one or more directors at any time during the financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the 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.

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

DIRECTORS REPORT(CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

GA Nix

Director

16 October 2018



HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2017

	Note	2017 £	2016 £
Administrative income		2,095,877	3,322
OPERATING PROFIT		<u>2,095,877</u>	<u>3,322</u>
Income from shares in group undertakings		96,748,667	110,811
Interest payable and similar charges	4	(130,313)	(123,686)
PROFIT/(LOSS) BEFORE TAXATION		<u>98,714,231</u>	<u>(9,553)</u>
Tax on profit/(loss) on ordinary activities	5	37,102	30,149
PROFIT FOR THE FINANCIAL YEAR		<u><u>98,751,333</u></u>	<u><u>20,596</u></u>

STATEMENT OF COMPREHENSIVE INCOME

	2017 £	2016 £
PROFIT FOR THE FINANCIAL YEAR	98,751,333	20,596
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME	<u><u>98,751,333</u></u>	<u><u>20,596</u></u>

All activities derive from continuing operations.

There is no material difference between the profit/(loss) on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents.

The notes on pages 8 to 14 form part of these financial statements

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

BALANCE SHEET As at 31 December 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Investments	6	19,329,247	20,588,416
CURRENT ASSETS			
Debtors	7	65,375	57,732
Cash at bank and in hand		889,816	135,624
		955,191	193,356
CREDITORS: amounts falling due within one year	8	(3,546,445)	(3,546,445)
NET CURRENT LIABILITIES		(2,591,254)	(3,353,089)
TOTAL ASSETS LESS CURRENT LIABILITIES		16,737,993	17,235,327
CREDITORS: amounts falling due after more than one year	9	(10,100,000)	(10,100,000)
NET ASSETS		6,637,993	7,135,327
CAPITAL AND RESERVES			
Called up share capital	11	5,410,600	5,410,600
Profit and loss account		1,227,393	1,724,727
TOTAL SHAREHOLDERS' FUNDS		6,637,993	7,135,327

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

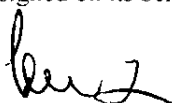
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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

These financial statements on pages 5 to 14 were approved by the Board of Directors and authorised for issue on 16 October 2018.

They were signed on its behalf by:

GA Nix
Director



HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up capital	Profit and loss account	Total shareholders' funds
	£	£	£
Balance as at 1 January 2016	5,410,600	1,704,131	7,114,731
Total comprehensive income	-	20,596	20,596
Balance as at 31 December 2016	<u>5,410,600</u>	<u>1,724,727</u>	<u>7,135,327</u>
Balance as at 1 January 2017	5,410,600	1,724,727	7,135,327
Total comprehensive income	-	98,751,333	98,751,333
Dividends paid	-	(99,248,667)	(99,248,667)
Balance as at 31 December 2017	<u>5,410,600</u>	<u>1,227,393</u>	<u>6,637,993</u>

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2017

1. ACCOUNTING POLICIES

General information

The principal activity of the company is that of a holding company. The company is incorporated and domiciled in the UK. The registered address is ArjoHuntleigh House, Houghton Hall Business Park, Houghton Regis, Dunstable.

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

Statement of compliance

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

Basis of preparation

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

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

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

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

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

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

For the year ending 31st December 2017 the company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Going concern

Please refer to the Directors' Report for comment on the company's trading performance in the current financial year.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment in value.

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2017

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments

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

i) Financial assets

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

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

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

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

ii) Financial liabilities

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

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

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

Taxation

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

i) Current tax

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

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

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

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2017

1. ACCOUNTING POLICIES (CONTINUED)

ii) *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

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

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

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

Deferred tax assets and liabilities are not discounted.

Critical accounting judgements and estimation uncertainty

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

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

There were no critical judgements applied during the year.

b) *Critical accounting estimates and assumptions*

i) *Impairment of investments*

The company undertakes a valuation of the investments when assessing for impairment and provides an impairment provision where there is a reduction in the value of investments.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

During the current and preceding year there were no employees and the directors did not receive any remuneration from Huntleigh International Holdings Limited for their services to the company.

3. AUDITORS' REMUNERATION

The audit fee for the company has been borne by another group undertaking with no right of reimbursement.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £	2016 £
Bank interest payable/(receivable)	6,848	(117)
Interest payable to fellow group undertakings	123,465	123,803
	<u>130,313</u>	<u>123,686</u>

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2017

5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2017 £	2016 £
Current taxation credit		
UK corporation tax credit for the year	(32,868)	(28,283)
Adjustments in respect of prior years	(4,234)	(1,866)
	<u>(37,102)</u>	<u>(30,149)</u>

The tax rate for the year is lower (2016: higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2017 of 19% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit/(Loss) on ordinary activities before taxation	<u>98,714,231</u>	<u>(9,553)</u>
Tax on profit/(loss) on ordinary activities at blended rate of 19% (2016: 20%)	18,755,704	(1,911)
Effect of:		
Non-taxable income	(18,834,008)	(22,162)
Expenses not taxable	53,449	-
Short-term timing differences	-	(701)
Transfer pricing adjustment	(8,013)	(3,509)
Adjustments in respect of prior years	<u>(4,234)</u>	<u>(1,866)</u>
Total tax credit for the year	<u>(37,102)</u>	<u>(30,149)</u>

Factors affecting future tax charges

The UK corporation tax rate reduced to 19% from 1 April 2017(2016:20%). The relevant deferred tax balances have been re-measured. Future changes to UK corporation tax are further reductions in tax rate to 17% in 2020.

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2017

6. INVESTMENTS

	Shares in subsidiary undertakings £
Cost	
At 1 January 2017	21,023,642
At 31 December 2017	21,023,642
Provision for impairment	
At 1 January 2017	435,226
Charge for the year	-
At 31 December 2017	435,226
Net book value	
At 31 December 2017	20,588,416
At 31 December 2016	20,588,416

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

The company has investments in the following subsidiary undertakings at 31 December 2017:

Company	Country of incorporation	Holding	Percentage holding
Huntleigh Healthcare Pty Limited	Australia	Ordinary	99.3%
Huntleigh Holdings BV	Netherlands	Ordinary	100.0%
ArjoHuntleigh PTE Limited	Singapore	Ordinary	99.9%
Huntleigh Africa (Pty) Limited	South Africa	Preference	100.0%
Huntleigh Africa (Pty) Limited	South Africa	Ordinary	<1%
SOL Healthcare (Pty) Limited	South Africa	Ordinary	100.0%
Huntleigh Polska Sp zoo	Poland	Ordinary	100.0%
Dalian Medical Equipment Holdings BV	Netherlands	Ordinary	100.0%
Huntleigh Healthcare Israel Limited	Israel	Ordinary	100.0%

With the exception of Huntleigh Holdings BV, Dalian Medical Equipment Holdings BV, Huntleigh Healthcare Israel Limited, and SOL Healthcare (Pty) Limited all the above undertakings either design, manufacture, distribute or rent equipment and instrumentation for medical applications. Huntleigh Holdings BV and SOL Healthcare (Pty) Limited are holding companies. SOL Healthcare (Pty) Limited and ArjoHuntleigh Singapore PTE Limited did not trade during the year. Dalian Medical Equipment Holdings BV and Huntleigh Healthcare Israel Limited are dormant companies.

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2017

7. DEBTORS

	2017 £	2016 £
Amounts due from group undertakings-group relief	65,375	57,732
	<u>65,375</u>	<u>57,732</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Amounts owed to group undertakings	3,546,444	3,546,444
Other creditors	-	-
	<u>3,546,444</u>	<u>3,546,444</u>

Amounts owed to group undertakings are unsecured, charged interest at 4.73% (2016: 4.73%) and are repayable on demand.

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

	2017 £	2016 £
Preference shares	<u>10,100,000</u>	<u>10,100,000</u>

The holders of the preference shares have agreed to waive their right to a dividend in respect of 2016 and 2017. The preference shares rank equally with the ordinary shares with the exception that preference shares have no voting rights and are entitled to dividends as disclosed in Note 10.

10. CALLED UP SHARE CAPITAL

	2017 £	2016 £
Authorised		
12,000,000 (2016: 12,000,000) non-voting 8 per cent non-redeemable cumulative preference shares of £1 each	12,000,000	12,000,000
10,000,000 (2016: 10,000,000) ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
	<u>22,000,000</u>	<u>22,000,000</u>
Called up, allotted and fully paid		
5,410,600 (2016: 5,410,600) ordinary shares of £1 each	<u>5,410,600</u>	<u>5,410,600</u>

HUNTLEIGH INTERNATIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2017

11. CONTINGENT LIABILITIES

The company does not have any contingent liabilities as at 31 December 2017(2016: £111,960,312).

12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The directors regard Arjo AB, a company incorporated in Sweden, as the ultimate holding company and controlling party and Huntleigh (SST) Limited, as the immediate parent company.

The smallest and largest group in which the results of the company are consolidated for the year ended 31 December 2017 is that headed by Arjo AB. Copies of the consolidated financial statements of Arjo AB which include the results of the company can be obtained from Arjo AB, Hans Michelsensgatan 10-211 20 Malmö, Sweden