

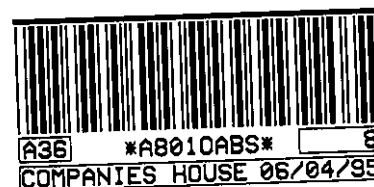


AVL Medical Instruments UK Limited

Abbreviated financial statements

31 December 1994

Registered number 2425430





Festival Way
Stoke-on-Trent
Staffordshire ST1 5TA

Report of the auditors to the directors of
AVL Medical Instruments UK Limited
pursuant to paragraph 24 of schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of AVL Medical Instruments UK Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1994, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 31 March 1995 we reported, as auditors of AVL Medical Instruments Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1994, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.





Festival Way
Stoke-on-Trent
Staffordshire ST1 5TA

Report of the auditors to the directors of
AVL Medical Instruments UK Limited
pursuant to paragraph 24 of schedule 8 to the Companies Act 1985 (*continued*)

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

K.P.M.W.

Chartered Accountants
Registered Auditors

31 March 1995



AVL Medical Instruments UK Limited

Balance sheet
at 31 December 1994

| | Note | 1994 £ | 1993 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 2 | 53,751 | 54,779 |
| Current assets | | | |
| Stocks | | 141,081 | 207,290 |
| Debtors | | 110,041 | 134,156 |
| Cash at bank and in hand | | 16,623 | 42,927 |
| | | <u>267,745</u> | <u>384,373</u> |
| Creditors: amounts falling due within one year | | <u>(170,973)</u> | <u>(556,143)</u> |
| Net current assets/(liabilities) | | <u>96,772</u> | <u>(171,770)</u> |
| Total assets less current liabilities | | <u>150,523</u> | <u>(116,991)</u> |
| Creditors: amounts falling due after more than one year | | <u>(156,682)</u> | <u>(727,373)</u> |
| Net liabilities | | <u>(6,159)</u> | <u>(844,364)</u> |
| Capital and reserves | | | |
| Called up share capital | 3 | 19,304 | 19,304 |
| Profit and loss account | | (25,463) | (863,668) |
| | | <u>(6,159)</u> | <u>(844,364)</u> |

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

These financial statements were approved by the board of directors on
and were signed on its behalf by:

31st March.

1995

LW Jones
Director

AVL Medical Instruments UK Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial statements have been prepared on a going concern basis as the holding company has provided assurances that they will continue to provide all necessary financial support to the company for the foreseeable future.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

| | | |
|---|---|---|
| Motor vehicles | - | 33 $\frac{1}{3}$ % per annum on a straight line basis |
| Fixtures, fittings, tools and equipment | - | 15% per annum on a straight line basis |

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods to customers during the year.

AVL Medical Instruments UK Limited

Notes (continued)

1 Accounting policies (continued)

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

2 Tangible fixed assets

| | £ |
|-----------------------|----------|
| Cost | |
| At beginning of year | 119,848 |
| Additions | 34,306 |
| Disposals | (15,385) |
| | <hr/> |
| At end of year | 138,769 |
| | <hr/> |
| Depreciation | |
| At beginning of year | 65,069 |
| Charge for year | 33,347 |
| Disposals | (13,398) |
| | <hr/> |
| At end of year | 85,018 |
| | <hr/> |
| Net book value | |
| At 31 December 1994 | 53,751 |
| | <hr/> |
| At 31 December 1993 | 54,779 |
| | <hr/> |

AVL Medical Instruments UK Limited

Notes (continued)

3 Called up share capital

| | 1994 | 1993 |
|--|---------------|---------------|
| | £ | £ |
| <i>Authorised</i> | | |
| 50,000 ordinary shares of 1 Swiss franc each | <u>19,304</u> | <u>19,304</u> |
| <i>Allotted, called up and fully paid</i> | | |
| 50,000 ordinary shares of 1 Swiss franc each | <u>19,304</u> | <u>19,304</u> |

4 Ultimate holding company

The ultimate holding company is AVL Medical Instruments AG, a company incorporated in Switzerland.