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AVL Medical Instruments UK Limited

Abbreviated financial statements

31 December 1998

Registered number 2425430





Festival Way
Stoke-on-Trent
Staffordshire ST1 5TA

Report of the auditors to AVL Medical Instruments UK Limited pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5 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 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

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 to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts are properly prepared in accordance with those provisions.

*Chartered Accountants
Registered Auditors*

16 March 1999

Balance sheet
at 31 December 1998

	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	2		87,775		115,106
Current assets					
Stocks		486,382		412,271	
Debtors		406,860		222,253	
Cash at bank and in hand		92,084		31,922	
		<u>985,326</u>		<u>666,446</u>	
Creditors: amounts falling due within one year		<u>(1,555,155)</u>		<u>(837,186)</u>	
Net current assets			<u>(569,829)</u>		<u>(170,740)</u>
Total assets less current liabilities			<u>(482,054)</u>		<u>(55,634)</u>
Creditors: amounts falling due after more than one year			<u>(370,678)</u>		<u>(354,562)</u>
Net liabilities			<u>(852,732)</u>		<u>(410,196)</u>
Capital and reserves					
Called up share capital	3		19,304		19,304
Capital reserve			450,000		450,000
Profit and loss account			<u>(1,322,036)</u>		<u>(879,500)</u>
Equity shareholders' funds			<u>(852,732)</u>		<u>(410,196)</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board of directors on 11 MARCH 1999 and were signed on its behalf by:


L.W. Jones
Director

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 company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of AVL Medical Instruments AG and its cash flows are included within the consolidated cash flow statement of that company.

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.

Related party transactions

Exemption has been taken (as per Financial Reporting Standard No 8) from reporting the transactions between AVL Medical Instruments UK Limited and AVL Medical Instruments AG since 90% or more of the voting rights are controlled by the group, and the consolidated financial statements in which AVL Medical Instruments UK Limited are consolidated are publicly available.

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
Demonstration equipment	-	33 $\frac{1}{3}$ % per annum on a straight line basis
Computer equipment	-	25% 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.

Stocks

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

Notes (continued)

2 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. 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.

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 and services to customers during the year.

2 Tangible fixed assets

	£
Cost	
At beginning of year	223,539
Additions	17,272
Disposals	(20,299)
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At end of year	220,512
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Depreciation	
At beginning of year	108,433
Charge for year	44,603
On disposals	(20,299)
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At end of year	132,737
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Net book value	
At 31 December 1998	87,775
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At 31 December 1997	115,106
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Notes (continued)

3 Called up share capital

	1998	1997
	£	£
<i>Authorised</i>		
50,000 ordinary shares of 1 Swiss franc each	19,304	19,304
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
50,000 ordinary shares of 1 Swiss franc each	19,304	19,304
	<u> </u>	<u> </u>

4 Ultimate parent company

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