Company Registration No. 3910212

CROSS TECHNOLOGIES PLC

Report and Financial Statements

31 January 2012

(-31/07/2012)

CROSS TECHNOLOGIES PLC

REPORT AND FINANCIAL STATEMENTS 2012

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CROSS TECHNOLOGIES PLC

REPORT AND FINANCIAL STATEMENTS 2012

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N Franklin
J Wilson

SECRETARY

M Reeves

REGISTERED OFFICE

c/o Elektron Technology plc
Broers Building
JJ Thomson Avenue
Cambridge
CB3 0FA

BANKERS

HSBC Bank Plc
70 Pall Mall
London
SW1Y 5EZ

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

DIRECTORS' REPORT

The dırectors present theır annual report and the audıted financıal statements for the year ended 31 January 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The prıncıpal actıvıty of the Company was the dıstrıbutıon of specıalıst radıotherapy, healthcare and medıcal research equıpment, and related maıntenance and dıstrıbutıon of radıopharmaceutıcals

As at 31 January 2012, the company transferred ıts trade and net assets to Elektron Technology UK Lımıted (a fellow subsıdıary of Elektron Technology plc) at book value Followıng the transfer the company ıs now dormant The dırectors expect the company to remaın dormant for the foreseeable future The dırectors have therefore prepared the financıal statements on the basıs that the company ıs no longer a goıng concern (see note 1)

RESULTS AND DIVIDENDS

The profit for the year after taxatıon amounted to £61,495 (Loss for the 10 months ended 31 January 2011 £178,600) The dırectors have not recommended a dıvıdend (10 months ended 31 January 2011 £nıl)

DIRECTORS

The dırectors who served the company durıng the year and subsequent to the year end, unless stated otherwıse, were as follows

D Broadhead (resıgned 30 March 2012)
N Franklın (appoınted 31 August 2011)
G Spınk (resıgned 31 August 2011)
J Wılson (appoınted 30 March 2012)

GOING CONCERN

The company ceased tradıng effectıve 1 February 2012 followıng the transfer of the company's trade and net assets on 31 January 2012 at book value As requıred by FRS 18 'Accountıng Polıcıes', the dırectors have prepared the financıal statements on the basıs that the company ıs no longer a goıng concern No materıal adjustments arose as a result of ceasıng to apply the goıng concern basıs

DONATIONS

No polıtıcal or charıtable donatıons were made by the company durıng the year (10 months ended 31 January 2011 £nıl)

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 accounting standards have been followed, subject to any material departures disclosed and explained 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

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

AUDITOR

Each of the persons who is a director at the date of approval of this annual report confirms that

- so far as the 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 ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company s auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting

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

31/07/2012

M Reeves

Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSS TECHNOLOGIES PLC

We have audited the financial statements of Cross Technologies Plc for the year ended 31 January 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 20 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

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 In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 January 2012 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

Emphasis of matter – financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of going concern

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSS TECHNOLOGIES PLC (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Stuart Henderson (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

31/07/2012

PROFIT AND LOSS ACCOUNT
Year ended 31 January 2012

	Note	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
TURNOVER	2	4,847,342	6,009,471
Cost of sales		(3,053,282)	(4,607,694)
Gross profit		1,794,060	1,401,777
Administrative expenses		(1,707,048)	(1,566,658)
OPERATING PROFIT/(LOSS)	3	87,012	(164,881)
Interest payable and similar charges	6	(12,385)	(77,975)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		74,627	(242,856)
Tax on profit / (loss) on ordinary activities	7	(13,132)	64,256
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	61,495	(178,600)

All activities derive from discontinued operations

There are no recognised gains or losses for the current financial year or preceding financial period other than as stated in the profit and loss account Accordingly a statement of recognised gains and losses has not been prepared

BALANCE SHEET
31 January 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	8	-	1,180,887
Tangible assets	9	-	140,170
		-	1,321,057
CURRENT ASSETS			
Stocks	10	-	776,552
Debtors	11	50,000	2,840,858
Cash at bank and in hand		-	260,391
		50,000	3,877,801
CREDITORS: amounts falling due within one year	12	-	(5,311,643)
NET CURRENT ASSETS / (LIABILITIES)		50,000	(1,433,842)
TOTAL ASSETS LESS CURRENT LIABILITIES		50,000	(112,785)
CAPITAL AND RESERVES			
Called up share capital	14	50,000	50,000
Profit and loss account	15	-	(162,785)
SHAREHOLDERS FUNDS/(DEFICIT)	16	50,000	(112,785)

The financial statements of Cross Technologies Plc, registered number 3910212, were approved by the Board of Directors and authorised for issue on 31|07/2012

Signed on behalf of the Board of Directors

N.F.K. Franklin

N FRANKLIN

Director

1. ACCOUNTING POLICIES

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

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

Going concern

The company ceased trading effective 1 February 2012 following the transfer of the company's trade and net assets on 31 January 2012 at book value As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern No material adjustments arose as a result of ceasing to apply the going concern basis

Cash flow statement

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published financial statements

Goodwill

Goodwill arising on consolidation or purchased goodwill, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life

Turnover

Turnover comprised amounts charged by the company for goods and services provided to customers and is stated after trade discounts and excluding sales taxes Revenue for goods sold to customers is recognised on despatch of the goods Revenue for maintenance contracts is recognised over the period the service is provided Revenue on sharing agreements is recognised in accordance with the terms of the agreement Revenue on installation is recognised when the service has been performed

Fixed assets and depreciation

Depreciation was provided 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

Medical equipment	over 7 years
Fixtures and fittings	20% p a on a straight line basis
Motor vehicles	25% p a on a straight line basis
Computer equipment	20% p a on a straight line basis

Foreign currencies

Assets and liabilities in foreign currencies were translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies were translated into sterling at the rate of exchange ruling at the date of the transaction Exchange differences were taken into account in arriving at the operating profit

Leases

Assets acquired under finance leases were capitalised and were depreciated over their useful lives The interest element of the obligation was charged to the profit and loss account over the period of the agreement and represented a constant proportion of the balance of repayments outstanding Operating lease rentals were charged to the profit and loss account on a straight line basis over the period of the lease

1. ACCOUNTING POLICIES (continued)

Post retirement benefits

The company operated a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

Stocks

Stocks were stated at the lower of cost and net realisable value Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal Provision is made for obsolete, slow-moving or defective items where appropriate

Taxation

Current tax was provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax was recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision was made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision was made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets were recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax was measured on an undiscounted basis at the tax rates that were expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
United Kingdom	4,765,615	5,867,105
Rest of Europe	58,824	142,366
Middle East & Africa	14,500	-
USA / Canada	5,298	-
Rest of the World	3,104	-
	4,847,342	6,009,471

3. OPERATING PROFIT / (LOSS)

	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
Operating profit / (loss) is after charging:		
Depreciation - owned assets	36,385	53,885
Amortisation of goodwill	-	86,830
Operating lease costs		
Hire of land and buildings	78,500	65,417
Hire of vehicles	47,340	53,276
Net loss on foreign currency translation	11,127	2,655

The analysis of auditor's remuneration is as follows

Fees payable to the Company's auditor for the audit of the company's annual financial statements	11,801	22,199
Total audit fees	11,801	22,199
Tax services	2,804	1,526
Total non-audit fees	2,804	1,526
Total fees	14,605	23,725

4. STAFF COSTS

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Year ended 31 January 2012	10 months ended 31 January 2011
	No	No
Selling and distribution	6	6
Administration	15	20
	21	26

The aggregate payroll costs of these persons were as follows	£	£
Wages and salaries	867,563	904,243
Social security costs	99,815	113,909
Other pension costs	39,594	43,558
	1,006,973	1,061,710

5 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	Year ended 31 January 2012	10 months ended 31 January 2011
	£	£
Directors' emoluments	80,800	153,850
Company contributions to money purchase pension schemes	7,200	11,419
	88,000	165,269

With the exception of the above the directors remuneration was borne by Elektron Technology plc for their services during the year and the preceding period The number of directors who accrued benefits under company pension schemes was as follows

	Year ended 31 January 2012	10 months ended 31 January 2011
	No	No
Money purchase schemes	1	2

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
On bank loans and overdrafts	12,385	7,244
On inter company loan with Hartest Holdings plc	-	70,731
	12,385	77,975

7 TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

Analysis of charge in the year

	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
Current tax		
UK Corporation tax based on the results for the year at 26 3% (10 months ended 31 January 2011- 28%)	18,150	(40,009)
Prior year adjustment	(307)	(27,206)
	17,843	(67,215)
Deferred tax		
Short-term timing differences	(4,711)	3,301
Prior year adjustment	-	(342)
Tax on profit / (loss) on ordinary activities	13,132	(64,256)

Factors affecting current tax charge / (credit)

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26 3% (10 months ended 31 January 2011 - 28%) as follows

	Year ended 31 January 2012 £	10 months ended 31 January 2011 £
Profit/(loss) on ordinary activities before taxation	74,627	(242,856)
Tax on profit/(loss) on ordinary activities at standard rate	19,627	(68,000)
Factors affecting the charge		
Expenses not deductible for tax purposes	-	27,033
Capital allowances in (excess) / deficit of depreciation	(1,477)	958
Prior year adjustments	(307)	(27,206)
Total current tax	17,843	(67,215)

CROSS TECHNOLOGIES PLC

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

7 TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES (continued)

In March 2011, the UK Government announced a reduction in the standard rate of UK corporation tax to 26% effective 1 April 2011 This rate reduction was substantively enacted in March 2011

In March 2012, the UK Government announced a reduction in the standard rate of UK corporation tax to 24% effective 1 April 2012 and to 23% effective 1 April 2013 These rate reductions became substantively enacted in March 2012 and July 2012 respectively The UK Government also proposed to further reduce the standard rate of UK corporation tax to 22% effective 1 April 2014, but this change has not been substantively enacted The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted

8. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 February 2011	2,083,919
Disposal	(2,083,919)
At 31 January 2012	-
Amortisation	
At 1 February 2011	903,032
Disposal	(903,032)
At 31 January 2012	-
Net book value	
At 31 January 2012	-
At 31 January 2011	1,180,887

9 TANGIBLE FIXED ASSETS

	Plant and machinery £
Cost	
At 1 February 2011	351,844
Transferred to group company	(334,252)
Disposals	(17,592)
At 31 January 20112	-
Accumulated depreciation	
At 1 February 2011	211,674
Charge in the year	36,385
Transferred to group company	(248,059)
At 31 January 20112	-
Net book value	
At 31 January 20112	-
At 31 January 2011	140,170

10 STOCKS

	2012 £	2011 £
Finished goods and goods for resale	-	776,552

11. DEBTORS

	2012 £	2011 £
Trade debtors	-	1,013,704
Amounts owed by other group companies	50,000	1,738,923
Other debtors	-	7,500
Prepayments and accrued income	-	64,078
Deferred taxation (note 13)	-	16,653
	50,000	2,840,858

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade creditors	-	987,636
Amounts owed to group undertakings	-	3,487,265
Taxation and social security	-	242,414
Accruals and deferred income	-	594,328
	-	5,311,643

13. DEFERRED TAXATION

Deferred taxation has been fully provided for in the year and comprises

	2012 £	2011 £
Balance brought forward	(16,653)	(19,612)
Deferred tax charge in profit and loss account for the year	(4,711)	3,301
Prior year adjustment	-	(342)
Transfer to group company	21,364	-
Balance carried forward	-	(16,653)

14. CALLED UP SHARE CAPITAL

	2012 £	2011 £
Called up, allotted and fully paid		
50,000 ordinary shares of £1 each	50,000	50,000

15. PROFIT AND LOSS ACCOUNT

	£
Balance brought forward	(162,785)
Profit for the financial year	61,495
Capital contribution	101,290
Balance carried forward	-

There was a capital contribution of £101,290 from Elektron Technology UK Ltd reflecting the net deficit in assets transferred

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS / (DEFICIT)

	2012 £	2011 £
Profit / (loss) for the financial year	61,495	(178,600)
Capital contribution	101,290	-
Net addition to / (reduction in) shareholders' funds	162,785	(178,600)
Opening shareholders' (deficit) / funds	(112,785)	65,815
Closing shareholders' funds / (deficit)	50,000	(112,785)

17 COMMITMENTS UNDER OPERATING LEASES

At 31 January 2012 the company had annual commitments under non-cancellable operating leases, as follows

	Land and buildings		Other items	
	2012 £	2011 £	2012 £	2011 £
Operating leases which expire				
In less than one year	-	-	-	2,191
Within 1 to 2 years	-	-	-	11,578
Within 2 to 5 years	-	38,500	-	39,508
In greater than 5 years	-	40,000	-	-

18 PENSIONS

The company operated a defined contribution personal pension plan The pension costs charge for the year represents contributions payable by the company to the scheme and amounted to £33,389 (10 months ended 31 January 2011 £41,486) At the year end pension contributions of £nil (10 months ended 31 January 2011 £3,664) were outstanding and included within other creditors

19. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption not to disclose transactions with group companies as it is a wholly owned subsidiary of Elektron Technology Plc and its results are included in that company's consolidated financial statements

20. ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent undertaking is Elektron Technology Plc which is registered in England and Wales

Copies of the group financial statements, which include this company, are available from the registered office of this company