

**SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL REPORT AND ACCOUNTS**

For the year ended 31 December 2008

4038252

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# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## FIVE YEAR TRADING HISTORY

For the year ended 31 December 2008

### Results in US \$

	2004 \$'000	% Growth	2005 \$'000	% Growth	2006 \$'000	% Growth	2007 \$'000	% Growth	2008 \$'000
Turnover	12,396	17.4%	14,549	7.4%	15,629	17.3%	18,338	2.6%	18,806
Cost of sales	(4,724)		(5,487)		(5,887)		(7,128)		(7,691)
Gross profit	7,672		9,062		9,742		11,210		11,115
Other operating charges	(5,547)		(6,910)		(8,155)		(8,760)		(8,038)
Operating profit	2,125	1.3%	2,152	(26.3%)	1,587	54.4%	2,450	25.6%	3,077
Net interest receivable	16		67		157		175		151
Profit before taxation	2,141	3.6%	2,219	(21.4%)	1,744	50.5%	2,625	23.0%	3,228
Taxation	(636)		(545)		(360)		(865)		(1,038)
Profit after tax	1,505		1,674		1,384		1,760		2,190

### Results in £

	2004 £'000	% Growth	2005 £'000	% Growth	2006 £'000	% Growth	2007 £'000	% Growth	2008 £'000
Turnover	6,763	18.9%	8,040	5.1%	8,448	8.2%	9,137	11.6%	10,199
Cost of sales	(2,578)		(3,032)		(3,182)		(3,552)		(4,171)
Gross profit	4,185		5,008		5,266		5,585		6,028
Other operating charges	(3,026)		(3,819)		(4,409)		(4,365)		(4,359)
Operating profit	1,159	2.6%	1,189	(27.9%)	857	42.4%	1,220	36.8%	1,669
Net interest receivable	9		37		85		87		82
Profit before taxation	1,168	5.0%	1,226	(23.2%)	942	38.7%	1,307	34.0%	1,751
Taxation	(347)		(301)		(195)		(430)		(563)
Profit after taxation	821		925		747		877		1,188
Earnings per share:									
Basic (pence)	71	12.7%	80	(20.0%)	64	17.2%	75	36.0%	102
Fully diluted (pence)	63	9.5%	69	(18.8%)	56	16.1%	65	35.4%	88
Exchange rate	\$1.833		\$1.810		\$1.850		\$2.007		\$1.844

To make the above results more comparable, the 2006 and 2007 figures exclude Oakfield Instruments Limited that was acquired on 3 January 2006 and sold on 1 October 2007.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## CHAIRMAN'S STATEMENT

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2008 started well for us, as you will have seen from my Interim Report covering the first half of the year. The third quarter also continued to show good growth, but then most of this growth was undone in the last quarter of the year by the precipitous fall in both confidence and liquidity caused by the worldwide economic crisis. This translated to a drop in sales for the last quarter of more than 25% against the previous year in circumstances where, on previous trends, we were anticipating solid double digit growth. We have been surprised by the severity of the deterioration of the market sectors in which we compete, which have traditionally been reasonably resilient to economic downturns. It is small consolation that many other companies in our sector have been similarly affected. Our performance, to a significant degree, has been a direct result of order shortfalls of our OEM customers. Ultimately the drop in sales in the last 3 months of the year restricted our overall revenues for the year to \$18.8m, which was only a 2.6% increase on the preceding year (2007: \$18.3m from continuing operations)

Although poor fourth quarter sales and profitability meant that our overall trading performance was not nearly as good as we had been anticipating, the full year reported Operating Profit showed good growth at \$3.1m (2007: \$2.5m from continuing operations). The reason for this increase is also due to recent economic events and the effect that they have had on exchange rates. Although nothing to do with trading performance, we are required to put movements in the value of certain assets and liabilities denominated in foreign currencies through our Profit and Loss Account, when consolidating Group results. Because of the significant changes in rates, the majority of which occurred in the last half of the year, there has been a substantial positive impact for the year which amounted to \$1.2m in total. The vast majority of this related to the conversion of monetary denominated assets, although some \$265,000 was attributable to realised exchange gains, as we switched from one currency to another for operational purposes.

The establishment of our new, wholly owned, subsidiary in Shenzhen, China, has now been completed. Securing all of the necessary licenses and permits has been time consuming, but we are now well established and manufacturing both cuffs and electronic assemblies there. During 2008, when we were setting the operation up and hiring and training staff, we were incurring additional costs, as a result of which the new subsidiary made a loss which obviously has had an impact on the overall performance of the Group. This, together with the growth of our newer Cuff and Diagnostic product lines, which have lower gross margins than our other products, has been responsible for a slight fall in our overall Gross Margin percentage to 59.1% of sales (2007: 61.1% from continuing operations). Now that the Chinese business is operational, we have been able to reduce our cost base in North Carolina and anticipate further savings during the course of the year as more assembly work is relocated to the new site. The transfer of the 247™ Diagnostic Station in particular, which was a product designed to be manufactured in China, will have a good impact on margins later in 2009.

Shareholders will be aware from my letter to them last December that your Board had reviewed our business plans and funding requirements going forward. As a result of this, we felt able to distribute a dividend for the first time in our Group's history. At £1 per share this converted to a total outlay of \$1.7m. Notwithstanding this our funding position remains strong with \$5.4m in cash and short term deposits at the end of the year (2007: \$6.4m). Clearly, given the present economic conditions, not being dependent upon credit markets is a significant benefit for us. The security of funds on deposit is potentially a concern however and the Board continues to keep their placement and spread under regular review to ensure that risk is minimised.

One other item I would like to comment on is our minority investment in Empirical Technologies Corporation (ETC) which, shareholders may recall from my previous reports, has some intellectual property over which we have first right of refusal. Our particular area of interest is however some work they have done on continuous BP measurement which is an area various other companies in our sector have been experimenting with for a number of years and several have tried to take to market, so far without success. While the current ETC technology shows considerable promise, we believe that, in its present form, it is still not ready for commercialisation. We will continue to keep the potential of the technology under close review but, for the present, have decided to take a prudent view and have therefore written down our original investment of \$113,000 in ETC to zero, this figure having been charged in arriving at our reported profit for the year.

Turning to 2009, I would draw your attention to the final paragraph of the Review of Operations following, which summarises our view on the outlook. At the present time this is clearly difficult to predict, however you will see that we have already implemented some cost reductions this year. I believe that the actions we have taken, and the plans we have in place, will leave the company in a very good position when the global economy starts to come out of the current recession, whenever that may be.

It remains for me, as always, to express my thanks, and that of the Board, to all of our employees in what has proved to be a very difficult year for everyone.

J Laurie  
Chairman  
20 May 2009

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## REVIEW OF OPERATIONS

We had a very successful first half to the year, at which point our sales were up 18.4% over the comparative period in 2007. The third quarter, a traditionally lower one in terms of sales, continued the growth trend, albeit at a slightly slower rate. Normally, we expect orders and sales to increase considerably for the fourth quarter, however this year it coincided with the full onset of the global economic crisis. There was a direct and very dramatic effect on our business worldwide and across the spectrum of our customer base. OEM customers de-stocked and scaled back on their forward order forecasts, dealers and distributors refrained from ordering due to the lack of available credit and doctors and hospitals put buying decisions on hold. The outcome for our fourth quarter was that sales were 26.7% down on the preceding year and were the lowest that we have achieved since 2004. When consolidated with the good results achieved in the first 9 months of the year, our sales for the year as a whole ended, a very disappointing, 2.6% higher than those achieved in 2007.

Performances by product group and by region for the year a whole were as follows:

<u>Sales by Product Group</u>		<u>Sales By Region</u>	
OEM modules	-1.0%	The Americas	+5.1%
Stress BP	-8.6%	Europe, Middle East & Africa (EMEA)	+0.1%
Ambulatory BP (ABP)	-0.4%	Far East	-6.4%
Cuffs	+19.9%		
Diagnostic Station (247™)	+277.6%		
Accessories	+7.8%		

Sales of our new Diagnostic Station product group (Model 247™) have increased significantly in 2008. The 247™ was introduced in the USA and Europe at the start of the fourth quarter of 2007, with full scale launch occurring at the start of 2008. Establishing good distribution channels has proved to be more complex than we originally anticipated. We are continuing to develop both new and existing sales channels and have now concluded an agreement with a third national distribution partner in the United States, as well as country specific partners in France and the UK. Our investment in building and expanding our BP Cuffs product group resulted in a 20% increase in sales for the year, primarily from partnering with our OEM customer base. Cuffs are an integral part of all our BP products and we expect sales in this product category to continue to increase. Sales in other product groups registered slight falls as a direct result of the impact of the fourth quarter. We anticipate that they should return to growth once more normal economic conditions prevail.

A significant investment, both in financial terms and management support, was made during the year in establishing our new Chinese facility (SMC). Operations at SMC began with the production of BP cuffs and identifying new component supplier sources. We are now progressively transferring certain electronic assembly operations there from our Morrisville, North Carolina site. The establishment of the manufacturing facility at SMC gives us access to lower manufacturing costs and, in providing a second base, also mitigates the risks attached to having a single manufacturing source. The SMC facility obtained local regulatory registration in China at the end of 2008. We expect to have ISO-13485 and ISO-9001 certifications by mid 2009 followed by US FDA registration.

In 2008, our Engineering team completed the latest, and new flagship, OEM BP module, the *Advantage™ A+*. The A+ is the world's smallest, complete BP module and has several market leading innovative features. We have already secured our first design win with a prominent European medical device manufacturer using the A+. Additionally, the Engineering team implemented numerous enhancements to our range of BP cuffs and Stress BP product groups, while also being involved in the establishment of the second manufacturing facility at SMC. Development plans for 2009 include continuing improvement to our core BP technologies and expanding our BP cuffs and Diagnostic Station product lines.

Predicting an outcome for 2009 is difficult in the present economic climate. In the first quarter of the year we were still trading at a lower level than the comparative period in 2008, albeit the shortfall was nothing like as severe as the prior quarter. As a result of this we have taken a prudent view, made some savings in our cost base and implemented a salary freeze. On the positive side, as SMC continues to ramp up production, there will be a reduction in our manufacturing costs this year, plus we have some new business opportunities later in the year that may go some way to making up for the order drop off from our existing customer base. Overall therefore I am confident that, unless economic conditions worsen, we can maintain our profitability with the actions taken to date, and our current plans for the year. We continue to monitor the situation closely however and will take further action if it should become necessary.

R R Woolley  
Group Chief Executive  
20 May 2009

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## REPORT OF THE DIRECTORS

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The directors present their report together with the audited financial statements for the year ended 31 December 2008.

### Principal activity

The group is principally engaged in the sale of medical instruments.

### Results and dividends

There was a profit for the year after taxation amounting to \$2,190,000 (2007: \$2,248,000). A dividend of \$1,690,000 (2007: \$nil) has been paid.

### Business review

The following information is a restatement of, or is supplemental to, that provided in the 5 Year Trading History for the business on page 1 and that given in the Chairman's Statement and Review of Operations on pages 2 and 3. The Board's objective is to give shareholders more comprehensive information with regard to their investment, the strategy for its development, the risks and uncertainties it faces and the key performance indicators used by the Board and the executive management to set objectives and measure progress. SunTech Medical Group Limited is however a private company and the Board is conscious that the Annual Report and Accounts are accessible to competitors and others. Their access to some of the detailed information used to measure performance could prove detrimental to the interests of the company. Figures and information provided in the Annual Report and Accounts are therefore, of necessity, a balance between giving shareholders a detailed overview and maintaining commercial confidentiality.

### Financial performance

On 1 October 2007 the company sold Oakfield Instruments Limited. The comparative figures shown below reflect the continuing operations only. Financial performance for the year has been analysed as follows:

	2008 \$000	2007 \$000	Change \$000	%
Turnover	18,806	18,338	468	+2.6
Gross profit	11,115	11,210	(95)	-0.1
Gross profit % of turnover	59.1%	61.1%		
Operating profit	3,077	2,450	627	+25.6
Profit before tax	3,228	2,625	603	+23.0

### Strategy

The strategy adopted during the year has been to build continually on the market position established by the company, supported by a strong brand identity, both nationally within its primary US market, and internationally also. This strategy has been based on well established products sold under the 'SunTech' brand and also sold to OEM customers who market them under their own brand identity either as a component of a device, or as a completely finished product. In this latter case, where possible, the company endeavours to secure agreement of the OEM customer to acknowledge its association with SunTech in providing its BP technology in order to increase brand awareness further. The company seeks to broaden its product range within its chosen markets and has invested in two product groups in the recent past with this objective, these being the supply of BP cuffs and the provision of a 'spot' Diagnostic Station. The directors are focused on growing the business longer term based on the provision of superior levels of customer support, excellent product quality and performance and expansion of its customer base.

### Turnover

Having regard to the severe downturn experienced in the fourth quarter of the year, caused by external events beyond the company's control, the directors consider the overall results for the year to be acceptable. The company's performance was not materially out of line with the specific markets in which it competes and, up until the last quarter, the directors consider the business exceeded overall market performance.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## REPORT OF THE DIRECTORS (CONTINUED)

### Product sales

The company recorded a good performance in product sales, particularly up until the end of the third quarter. For reasons outlined in the Review of Operations, the poor performance in the last period detrimentally impacted the full year results with the more established product groups exhibiting a slight overall decline as a result. Sales from the two newest product groups, which are both still in a strong growth phase, exhibited good increases for the year despite the economic conditions in the fourth quarter. 2008 was the first full year of sales for the 247™ Diagnostic Station.

### Operating costs

	2008 \$000	2007 \$000	Change \$000	%
Costs from continuing operations only	8,038	8,760	(722)	-8.2

### Capital expenditure

Capital expenditure of \$367,000 (2007: \$340,000) was incurred during the year.

### Research and Development

Research and development expenditure of \$2,045,000 (2007: \$2,414,000) was incurred during the year.

### Environmental policy

During the year management finalised and issued an environmental policy for all of its subsidiaries. Its objective is to continually improve performance in this area.

### Summary of key performance indicators

The directors have monitored the progress of the overall company strategy and the individual strategic elements by reference to certain financial and non-financial key performance indicators.

	2008	2007	Method of calculation
Growth in turnover (%)	2.6	17.3	Annual growth in total sales (continuing operations only)
Gross profit margin (%)	59.1	61.1	Gross profit margin in the ratio of gross profit to turnover expressed as a percentage (continuing operations only)
Operating profit margin (%)	16.4	13.4	Operating profit margin is the ratio of operating profit to turnover expressed as a percentage (continuing operations only)
Cash and short term investment balance (\$ 000)	5,365	6,385	The aggregate of cash balances and certificates of deposits held
Average head count	131	97	Average of total monthly headcount derived from the payroll records (continuing operations only)

### Future developments for the business

The directors recognise that industry competition puts pressure on prices and margins. The directors believe that continued investment in the product range and in customer care will enable us to maintain and improve the already strong market position the group enjoys.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## REPORT OF THE DIRECTORS (CONTINUED)

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### Principal risks and uncertainties

The management of the business and the group's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business that they judge to be material for the group. The Board reviews identified risks on a regular basis and ensures, in so far as possible, that appropriate processes are in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the group.

**Competition** – The markets in which the group operates are highly competitive. As a result there is continuous downwards pressure on margins. Policies of constant product innovation, a focus on high levels of customer service and a programme of cost reduction are in place to mitigate such risks.

**Credit risk** – The group's principal financial assets are cash and trade debtors. The credit risk associated with cash is determined by the financial strength of the bank chosen to hold the company's funds. The Board approves all bank account openings and reviews the deposition of available funds to ensure that a reasonable interest return is generated whilst the capital remains secure. The principal credit risk arises from trade debtors. In order to manage this, credit limits are set for all customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the finance department on a regular basis in conjunction with debt ageing and collection history. The Board receives a monthly report of collection performance and details of any problem accounts.

**Liquidity risk** – The group seeks to manage risk by ensuring that at all times there is sufficient liquidity available to meet foreseeable needs and to invest cash assets safely and profitably. This will include a review of what currencies surplus funds are held in. The group currently has no external borrowings. The Board regularly reviews the longer term plans for the business and the requirements this may place on the group's available funds.

### Directors

The present membership of the Board is set out on page 26 of the annual report and accounts.

### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and Accounts 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the profit of the group and company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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, to the best of their knowledge, state that:

- the financial statements, prepared in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the group; and
- the Chairman's report and the review of operations include a fair review of the development and performance of the business and the position of the group together with a description of the principal risks and uncertainties that it faces.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## REPORT OF THE DIRECTORS (CONTINUED)

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The directors are responsible for keeping proper accounting records that 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 1985. 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.

In so far as the directors are aware:

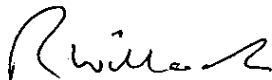
- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Auditor**

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



R Willcock  
Company Secretary  
20 May 2009



# **SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

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

The principal accounting policies of the group are set out below. They have remained unchanged from the previous year except as stated below:

### **BASIS OF CONSOLIDATION**

The group financial statements consolidate those of the company and of its subsidiary undertakings (see note 9).

The company took advantage of merger relief offered by section 131 of the Companies Act 1985 and merger accounting offered by Financial Reporting Standard No 6 'Acquisitions and Mergers' on an acquisition dated 13 December 2000.

### **ASSOCIATES**

In the group financial statements investments in associates are accounted for using the equity method of accounting. The consolidated profit and loss account includes the group's share of the associate's profit and losses while the group's share of the net assets of the associate is shown in the consolidated balance sheet.

### **TURNOVER**

Turnover is the total amount receivable by the group for goods supplied and services provided, excluding VAT and trade discounts. Turnover is recognised on shipment for goods and on provision for services.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Plant and machinery	15%
Fixtures, fittings and equipment	10-33%
Motor vehicles	20-25%

### **LEASED ASSETS**

All leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

### **INVESTMENTS**

Investments are included at cost.

### **STOCKS**

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

# **SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS**

## **PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

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### **DEFERRED TAXATION**

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date on an undiscounted basis.

### **RESEARCH AND DEVELOPMENT**

Research and development expenditure is charged to profits in the period in which it is incurred.

### **CONTRIBUTIONS TO DEFINED CONTRIBUTION PENSION SCHEMES**

The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

### **FOREIGN CURRENCY**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Fixed assets purchased in foreign currencies are retranslated at each balance sheet date. The exchange differences arising from the retranslation of the opening reserves of the company and its net investment in its foreign currency subsidiaries are taken directly to reserves. All other exchange differences are dealt with through the profit and loss account.

Under SSAP 20 Foreign Currency Translation, a company's local currency is the currency of the primary economic environment in which it operates and generates net cash flows.

On the basis that the company operates solely as a holding company for its subsidiary operations in the United States ("US"), United Kingdom, China and Hong Kong, the directors consider that the primary economic environment in which the company operates and generates net cash flows to be an extension of that of its subsidiary operations. On the basis that the majority of these subsidiary operations are carried out and cash flows generated in the US, it appears reasonable that the local currency of the company and therefore the group should be the US Dollar.

The rate of exchange used to translate Sterling amounts into US Dollars is £1:\$1.844 (2007: £1:\$2.007) within the profit and loss account and £1:\$1.465 (2007: £1:\$1.995) within the balance sheet.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2008

	Note	2008 \$000	2007 \$000
Turnover	1		
- continuing operations		18,806	18,338
- discontinued operations		-	1,531
		<u>18,806</u>	<u>19,869</u>
Cost of sales		<u>(7,691)</u>	<u>(7,804)</u>
Gross profit		11,115	12,065
Other operating charges	2	<u>(8,038)</u>	<u>(10,021)</u>
<b>Operating profit</b>			
- continued operations		3,077	2,450
- discontinued operations		-	(406)
		<u>3,077</u>	<u>2,044</u>
<b>Gain on disposal of discontinued operations</b>	22	<u>-</u>	<u>748</u>
<b>Profit on ordinary activities before interest</b>		3,077	2,792
Net interest receivable	3	<u>151</u>	<u>165</u>
<b>Profit on ordinary activities before taxation</b>	1	3,228	2,957
Tax on profit on ordinary activities	5	<u>(1,038)</u>	<u>(709)</u>
<b>Profit for the year transferred to reserves</b>	15	<u>2,190</u>	<u>2,248</u>

## CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2008 \$000	2007 \$000
Profit for the year	2,190	2,248
Currency translation loss on the foreign currency opening reserves of the company and its net investment in foreign currency subsidiaries (Note 16)	(1,276)	(72)
<b>Total recognised gains and losses relating to year</b>	<u>914</u>	<u>2,176</u>

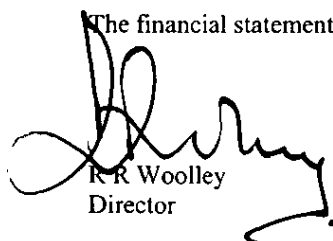
The accompanying accounting policies and notes form an integral part of these financial statements.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

BALANCE SHEETS AT 31 DECEMBER 2008

	Note	2008 \$000	Group 2007 \$000	2008 \$000	Company 2007 \$000
<b>Fixed assets</b>					
Tangible assets	8	797	722	5	15
Investments	9	-	113	826	826
		<u>797</u>	<u>835</u>	<u>831</u>	<u>841</u>
<b>Current assets</b>					
Stocks	10	2,915	2,796	-	-
Debtors	11	2,935	3,596	906	381
Short term investments	12	2,046	-	-	-
Cash at bank and in hand		3,319	6,385	801	3,407
		<u>11,215</u>	<u>12,777</u>	<u>1,707</u>	<u>3,788</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(1,309)</u>	<u>(2,146)</u>	<u>(282)</u>	<u>(129)</u>
<b>Net current assets</b>		<u>9,906</u>	<u>10,631</u>	<u>1,425</u>	<u>3,659</u>
		<u>10,703</u>	<u>11,466</u>	<u>2,256</u>	<u>4,500</u>
<b>Capital and reserves</b>					
Called up share capital	14	176	176	176	176
Share premium account	15	5	5	5	5
Profit and loss account	15	10,522	11,285	2,075	4,319
<b>Shareholders' funds</b>	16	<u>10,703</u>	<u>11,466</u>	<u>2,256</u>	<u>4,500</u>

The financial statements were approved by the Board of Directors on 20 May 2009.

  
R R Woolley  
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

**SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS****CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 December 2008

	Note	2008 \$000	2008 \$000	2007 \$000	2007 \$000
Net cash inflow from operating activities	17		2,611		1,282
Returns on investments and servicing of finance					
Interest received		151		175	
Interest paid		<u>-</u>		<u>(10)</u>	
Net cash inflow from returns on investments and servicing of finance			151		165
Taxation			(1,358)		(530)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(364)		(359)	
Sale of tangible fixed assets		-		95	
Purchase of shares by Employee Benefit trust		<u>(30)</u>		<u>-</u>	
Net cash outflow from capital expenditure and financial investment			(394)		(264)
Acquisition and disposal					
Sale of subsidiary undertaking		<u>-</u>		<u>1,286</u>	
Net cash inflow from acquisitions and disposals			-		1,286
Equity dividend paid			(1,690)		-
Management of liquid resources					
Purchase of certificates of deposit			(2,046)		-
(Decrease)/increase in cash	18		<u>(2,726)</u>		<u>1,939</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS

For the year ended 31 December 2008

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit on ordinary activities before taxation is attributable to the sale of medical instruments.

An analysis of turnover by geographic market is given below:

	2008 \$000	2007 \$000
United Kingdom	176	1,492
Continental Europe	4,185	4,193
North America	11,948	11,978
Far East	2,045	1,834
Rest of the world	452	372
	<u>18,806</u>	<u>19,869</u>

The profit on ordinary activities before taxation is stated after charging:

	2008 \$000	2007 \$000
Auditors' remuneration:		
Audit services	47	58
Non-audit services	25	20
Depreciation:		
Tangible fixed assets owned	244	223
Operating lease rentals:		
Plant and machinery	3	11
Other	385	338
Loss on sale of fixed assets	38	-
Amounts written off investments	113	-
Research and development expenditure	<u>2,045</u>	<u>2,670</u>

### 2 OTHER OPERATING CHARGES

	2008 \$000	2007 \$000
Administration expenses	8,046	10,044
Other operating income	<u>(8)</u>	<u>(23)</u>
	<u>8,038</u>	<u>10,021</u>

### 3 INTEREST RECEIVABLE

	2008 \$000	2007 \$000
Net interest receivable	<u>151</u>	<u>165</u>

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2008 \$000	2007 \$000
Wages and salaries	6,398	6,569
Share options expense (note 14)	43	83
Social security costs	528	562
Other pension costs	202	199
	<u>7,171</u>	<u>7,413</u>

The average number of employees of the group during the year was:

	2008 Number	2007 Number
Production	58	49
Administration	73	61
	<u>131</u>	<u>110</u>

Remuneration in respect of directors was as follows:

	2008 \$000	2007 \$000
Emoluments	617	633
Pension contributions to money purchase pension schemes	31	31
	<u>648</u>	<u>664</u>

In 2008 three directors (2007: three) participated in money purchase pension schemes.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit for the period and represents:

	2008 \$000	2007 \$000
United Kingdom corporation tax	496	126
Overseas taxation	651	628
Total current tax	1,147	754
Deferred tax:		
Origination and reversal of timing differences	(109)	(45)
Tax on profit on ordinary activities	1,038	709

The group standard rate for current tax for the year ended 31 December 2008 is 30.5% (2007: 35.9%) based upon the weighed average of profit before tax. This is based upon the standard rates of taxation in the different countries of operation.

A comparison of the current tax charge with the expected tax charge based on the average rate is set out below:

	2008 \$000	2007 \$000
Profit on ordinary activities before tax	3,228	2,957
Profit on ordinary activities multiplied by the average rate of tax	985	1,062
Effect of:		
Expenses not deductible for taxation purposes	(33)	(70)
Capital allowances in excess of depreciation	4	(18)
Other timing differences	14	48
Consolidated profit on disposal of subsidiary not taxable	-	(268)
Utilisation of tax losses	177	-
Current tax charge for period	1,147	754

### 6 PROFIT FOR THE FINANCIAL PERIOD

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The parent company's profit for the year was \$508,000 (2007: profit \$4,574,000).

### 7 DIVIDEND

	Company 2008 \$000	Company 2007 \$000
Equity dividend paid	1,690	-



# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 8 TANGIBLE FIXED ASSETS

The group	Plant and machinery \$000	Fixtures, fittings and equipment \$000	Motor vehicles \$000	Total £000
<b>Cost</b>				
At 1 January 2008	770	952	42	1,764
Additions	89	278	-	367
Exchange rate differences	(18)	(34)	(5)	(57)
Disposals	(31)	-	-	(31)
At 31 December 2008	810	1,196	37	2,043
<b>Depreciation</b>				
At 1 January 2008	316	697	29	1,042
Provided in the year	94	142	8	244
Exchange rate differences	(6)	(30)	(4)	(40)
Disposals	-	-	-	-
At 31 December 2008	404	809	33	1,246
<b>Net book amount at 31 December 2008</b>	<b>406</b>	<b>387</b>	<b>4</b>	<b>797</b>
31 December 2007	454	255	13	722

The company	Fixtures, fitting and equipment \$000	Motor vehicles \$000	Total \$'000
<b>Cost</b>			
At 1 January 2008	7	18	25
Exchange rate differences	(2)	(5)	(7)
At 31 December 2008	5	13	18
<b>Depreciation</b>			
At 1 January 2008	2	8	10
Provided in the year	2	5	7
Exchange rate difference	(1)	(3)	(4)
At 31 December 2008	3	10	13
<b>Net book amount at 31 December 2008</b>	<b>2</b>	<b>3</b>	<b>5</b>
31 December 2007	5	10	15

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 9 FIXED ASSETS INVESTMENTS

	Group 2008 \$000	Company 2008 \$000	Group 2007 \$000	Company 2007 \$000
Subsidiary undertakings	-	826	-	826
Associates	-	-	113	-
	-	826	113	826

At 31 December 2008 the group held interests in the following investments:

	Country of incorporation	Class of share capital held	Nature of business
<b>Subsidiary companies</b>			
SunTech Medical Inc*	USA	Common stock	Sale of medical instruments
SunTech Medical Limited**	England and Wales	Ordinary	Sale of medical instruments
SunTech Medical Limited**	Hong Kong	Ordinary	Sale of medical instruments
SunTech Medical Devices (Shenzhen) Co Limited*	Peoples Republic of China	Ordinary	Manufacture of medical components
SunTech Medical (USA) Inc**	USA	Common stock	Dormant
SunTech EB Trustee Limited**	England and Wales	Ordinary	Dormant
<b>Associates</b>			
Empirical Technologies Corporation***	USA	Common stock	Medical instruments research

\* 100% owned by the group

\*\* 100% owned by the parent

\*\*\* 25% owned by the group

<b>Subsidiary undertakings</b>	<b>Company 2008 \$000</b>
<b>Cost</b>	
At 1 January and 31 December 2008	826
<b>Associates</b>	<b>Group 2008 \$000</b>
<b>Cost</b>	
At 1 January 2008	113
Share of retained profit	-
At 31 December 2008	113
<b>Provision</b>	
At 1 January 2008	-
Provided in the year	113
At 31 December 2008	113
<b>Net book value</b>	
At 31 December 2008	-
At 31 December 2007	113

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 10 STOCKS

	Group 2008 \$000	Company 2008 \$000	Group 2007 \$000	Company 2007 \$000
Raw materials and consumables	1,231	-	1,190	-
Work in progress	502	-	540	-
Finished goods and goods for resale	1,182	-	1,066	-
	<u>2,915</u>	<u>-</u>	<u>2,796</u>	<u>-</u>

### 11 DEBTORS

	Group 2008 \$000	Company 2008 \$000	Group 2007 \$000	Company 2006 \$000
Trade debtors	2,435	-	3,254	-
Amounts owed by group undertakings	-	822	-	345
Amounts owed by related undertakings	49	49	3	-
Prepayments and accrued income	117	23	105	23
Other debtors	95	12	103	13
Deferred tax asset	239	-	131	-
	<u>2,935</u>	<u>906</u>	<u>3,596</u>	<u>381</u>

The deferred tax asset comprises:

	Group 2008 \$000	Group 2007 \$000
Accelerated capital allowances	(142)	(146)
Other timing differences	250	277
Tax losses	131	-
	<u>239</u>	<u>131</u>

### 12 SHORT TERM INVESTMENTS

	Group 2008 \$000	Group 2007 \$000
Certificates of deposit	<u>2,046</u>	<u>-</u>

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2008 \$000	Company 2008 \$000	Group 2007 \$000	Company 2007 \$000
Trade creditors	287	40	656	51
Corporation tax	65	167	242	-
Other taxation and social security	41	24	35	19
Accruals and deferred income	861	46	1,008	56
Other creditors	55	5	205	3
	<u>1,309</u>	<u>282</u>	<u>2,146</u>	<u>129</u>

### 14 SHARE CAPITAL

	2008 £000	2007 £000
Authorised		
100,000,000 Ordinary shares of 10p each	<u>10,000</u>	<u>10,000</u>
	\$000	\$000
Allotted, called up and fully paid		
1,161,981 Ordinary shares of 10p each	<u>176</u>	<u>176</u>

#### Contingent rights to the allotment of shares

As at 31 December 2008 the group maintained one share-based payment scheme for employee compensation.

The company has granted options to certain directors and employees in respect of 277,000 (2007: 264,500) 10p ordinary shares at £1.21 - £6.00 per share, exercisable between December 2004 and October 2018.

For the options granted to vest the company must achieve an average earnings per share (EPS) growth exceeding UK Retail Price Index + 1% over a three year period. The beneficiaries should be in continuous employment during the period other than early termination of employment by attaining normal retirement age, ill health or redundancy.

All share based employee compensation will be settled in equity. The group has no legal or constructive obligation to repurchase or settle the options.

Share option and weighted average exercise price are as follows for the reporting periods presented:

	Number	2008 Weighted average exercise price pence	Number	2007 Weighted average exercise price pence
Outstanding at 1 January	264,500	176	260,750	170
Granted	15,000	600	3,750	588
Exercised	(2,500)	121	-	-
Outstanding at 31 December	<u>277,000</u>	<u>199</u>	<u>264,500</u>	<u>176</u>

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 14 SHARE CAPITAL (continued)

The fair values of options which were granted since 30 April 2003 were determined by using the Black-Scholes valuation model. Significant inputs into the calculation include a weighted average share price of £1.99 and exercise prices as illustrated above. Furthermore the calculation takes into account a volatility rate of 8.8%, based on expected share price. Risk-free interest rate was determined at 3%.

The underlying expected volatility was determined by reference to historical data. No special features immanent to the options granted were incorporated into the measurement of fair value.

In total, \$43,000 of employee compensation expense relating to share options has been included in the consolidated profit and loss statement for 2008 (2007: \$83,000). The corresponding credit is taken to shareholders' funds. No liabilities were recognised due to share-based transactions.

### 15 RESERVES

	Share premium account \$000	Profit and loss account \$000
<b>The group</b>		
At 1 January 2008	5	11,285
Dividend paid	-	(1,690)
Exchange adjustment	-	(1,276)
Profit for the year	-	2,190
Share options expense transferred to reserves (see note 4)	-	43
Shares acquired by the Employee Benefit Trust	-	(30)
At 31 December 2008	<u>5</u>	<u>10,522</u>
	Share premium account \$000	Profit and loss account \$000
<b>The company</b>		
At 1 January 2008	5	4,319
Dividend paid	-	(1,690)
Exchange adjustment	-	(1,075)
Profit for the year	-	508
Share options expense transferred to reserves	-	43
Shares acquired by the Employee benefit Trust	-	(30)
At 31 December 2008	<u>5</u>	<u>2,075</u>

The group and company reserves are net of \$152,000 (2007: \$122,000) shares held by the Employee Benefit Trust.

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group 2008 \$000	Company 2008 \$000	Group 2007 \$000	Company 2007 \$000
Profit for the year	2,190	508	2,248	4,574
Dividend paid (note 7)	(1,690)	(1,690)	-	-
Exchange adjustment	(1,276)	(1,075)	(72)	(4)
Shares held by the Employee Benefit Trust	(30)	(30)	-	-
Share options expense	43	43	83	83
Increase/(decrease) in shareholders' funds	(763)	(2,244)	2,259	4,653
Shareholders' funds at 1 January 2008	11,466	4,500	9,207	(153)
Shareholders' funds at 31 December 2008	10,703	2,256	11,466	4,500

The exchange adjustments arise on the retranslation of the opening reserves of the UK parent and subsidiary company denominated in Sterling.

### 17 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 \$000	2007 \$000
Operating profit	3,077	2,044
Depreciation	244	223
Loss on sale of tangible fixed assets	38	-
Increase in stocks	(143)	(938)
Decrease/(increase) in debtors	731	(533)
(Decrease)/increase in creditors	(446)	462
Exchange adjustments	(1,046)	(59)
Impairment provision (note 9)	113	-
Share option expense	43	83
Net cash inflow from operating activities	2,611	1,282

### 18 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2008 \$000	2007 \$000
(Decrease)/increase in cash in the year	(2,726)	1,939
Effect of foreign exchange movements	(340)	(22)
Movement in net funds in the year	(3,066)	1,917
Net funds at 1 January 2008	6,385	4,468
Net funds at 31 December 2008	3,319	6,385

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 19 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2008 \$000	Cash flow \$000	Exchange movement \$000	At 31 December 2008 \$000
Cash in hand and at bank	6,385	(2,726)	(340)	3,319

### 20 PENSIONS

The group operates defined contribution pension schemes for the benefit of eligible employees. The assets of the schemes are administered by trustees in funds independent from those of the group.

### 21 LEASING COMMITMENTS

Operating lease payments are due within one year as set out below. The leases to which these amounts relate expire as follows:

The group	2008 Land and buildings \$000	2008 Other \$000	2007 Land and buildings \$000	2007 Other \$000
In one year or less	-	-	23	-
Between two and five years	355	2	279	2
	<u>355</u>	<u>2</u>	<u>302</u>	<u>2</u>
 The company				
Between two and five years	<u>58</u>	<u>-</u>	<u>62</u>	<u>-</u>

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## NOTES TO THE ANNUAL REPORT AND ACCOUNTS (CONTINUED)

For the year ended 31 December 2008

### 22 DISPOSAL

On 1 October 2007 the group disposed of its entire share holding in Oakfield Instruments Limited. Group profits for the year ended 31 December 2007 included a loss after tax of \$297,000 attributable to Oakfield Instruments Limited and its subsidiary undertaking for the nine months to 1 October 2007.

The total assets and liabilities disposed of were as follows:

	2007 \$000
<b>Net assets:</b>	
Tangible fixed assets	52
Stocks	303
Debtors	467
Deferred tax	130
Cash	16
<b>Total assets</b>	<b>968</b>
Bank overdraft	163
Trade creditors	1,000
Other creditors	107
Accruals	98
<b>Total liabilities</b>	<b>1,368</b>
Net liabilities disposed	(400)
Profit on disposal	748
	<b>348</b>
Satisfied by:	
Cash consideration	409
Costs of disposal	(61)
	<b>348</b>

Oakfield Instruments Limited and its subsidiary utilised \$385,000 of net operating cash flow during the year ended 31 December 2007, paid \$10,000 in respect of servicing of finance, received \$16,000 in respect of taxation, paid \$19,000 for capital expenditure and received \$36,000 for the sale of fixed assets.

Analysis of the net cash inflow of cash in respect of the disposal during the year ended 31 December 2007:

	\$000
Cash at bank and in hand disposed of	(16)
Bank overdraft	163
	<b>147</b>
Cash consideration	348
Repayment of inter-company debt	791
	<b>1,286</b>

The cash consideration included \$86,000 of expenses incurred on disposal.



## **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS**

We have audited the group and parent company financial statements (the "financial statements") of SunTech Medical Group Limited and its Subsidiary undertakings for the year ended 31 December 2008, which comprise the principal accounting policies, the group profit and loss account, the group statement of total recognised gains and losses, the group and company balance sheets, consolidated cash flow statement and notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, Report of Operations and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS (CONTINUED)**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 December 2008 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS  
CENTRAL MILTON KEYNES  
20 May 2009

# SUNTECH MEDICAL GROUP LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

## ANNUAL REPORT AND ACCOUNTS

For the year ended 31 December 2008

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Company registration number: 4038252

Registered office: Laytons  
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50 Victoria Embankment  
Blackfriars  
London  
EC4Y 0LS

Directors: J K Laurie  
M S Lawson  
R R Woolley  
D C McBee  
R Willcock

Secretary: R Willcock

Bankers: HSBC Bank Plc  
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Registered auditor  
Chartered accountants  
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