

RTS Life Science Limited

**Directors' report and financial
statements**

Registered number 4109439

31 December 2006

WEDNESDAY



A23 *AFPSOQRB* 506
27/06/2007
COMPANIES HOUSE

RTS Life Science Limited
Directors' report and financial statements
31 December 2006

Contents

1	Directors' report
3	Statement of Directors' responsibilities
4	Report of the independent auditors to the members of RTS Life Science Limited
6	Profit and loss account
7	Balance sheet
8	Notes

Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2006

Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year

	Year ended 31 December 2006	Year ended 31 December 2005
	£'000	£'000
Operating (loss)/profit	(2,226)	1,074
(Loss)/profit before taxation	(1,949)	1,119
(Loss)/profit after taxation	(1,941)	921

The Directors do not recommend the payment of a final dividend (2005 £3,000,000)

Directors

Directors who have held office during the year were as follows

S Drysdale (appointed 13 April 2006)
D Harding (appointed 13 April 2006)
P B Johnson (resigned 30 June 2006)
J S Sharrock (appointed 3 July 2006)
G Walsh

Principal activity

The principal activities of the Company are to provide products and services in the areas of robotic automation and laboratory information management systems to improve the efficiency of drug discovery and drug delivery applications in the pharmaceutical and biotechnology industries

Business Review

Turnover fell to £10.1m (2005 £11.7m), due to changes in the trading environment and the affect of the weak dollar. The business made an operating loss before exceptional items of £0.4m (2005 profit of £1.1m), caused by the reduced turnover and cost overruns in software development.

During the second half of 2006 a strategic review of RTS Life Science was carried out which culminated in a clearer definition of target markets and a new organisational structure. The company is now organised into three market-facing business units. These focus on the core elements of the business: Sample Management, Platform Solutions and Drug Delivery Automation. In addition, a fourth business unit was established to provide customer support and to manage shared services. Growth will be driven organically from within these business units, as well as by the introduction of new business units focusing on niche, high technology markets and potentially by complementary acquisitions.

The reorganisation referred to above led to a reduction in costs and will help to deliver a closer affinity and understanding of each market. With more motivated and technologically focused teams we expect to be able to react more rapidly and with greater understanding of our customers' needs.

In light of the disappointing order intake in the second half of 2006, the management team reduced overheads by approximately £1.2m. However, significant order wins have been made across all the new business units in the year, and coupled with the cost reduction sets, the company on a firmer footing going into 2007.

Key performance indicators

Management use a range of performance measures to monitor and manage the business. Our KPIs measure past performance and also provide information to allow us to manage the business into the future. Revenue, operating profit and cash flow indicate the volume of projects, their profitability and the efficiency with which we have turned operating profits into cash, staff numbers show us how effective we have been in recruiting and retaining our key resource. These indicators are presented in the financial statements.

Key risks and uncertainties

The principal risks and uncertainties facing the Company are

Risk	Approach
Consistent delivery of complex projects	Tight project management. We aim to deliver consistently the needs of our customers.
Managing costs to complete long term projects	We aim to shorten reporting timescales and improve project management with the effective use of key KPIs.
Attracting, retaining and motivating key staff	We seek to ensure the workplace is demanding and rewarding. We are keen to emphasise development and internal promotion.
Financial risks	Significant risks are identified and reported and monitored internally.
The cyclical nature of the capital equipment market the Company serves	The Company aims to diversify its revenue streams by expanding the range of areas it operates in. This is illustrated by the creation of multiple market facing business units in the period.

Charitable and political contributions

During the year the Company made charitable contributions of £nil (2005 £75). There were no political contributions.

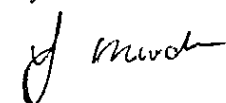
Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of this information.

Auditors

In accordance with Section 384 of the Companies Act 1985 a resolution for the reappointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



J S Sharrock
Director

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

KPMG Audit Plc

St James' Square
Manchester
M2 6DS
United Kingdom

Report of the independent auditors to the members of RTS Life Science Limited

We have audited the Company financial statements of RTS Life Science Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

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 whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not 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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 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 auditors to the members of RTS Life Science Limited (*continued*)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985,
- the information given in the Directors' Report is consistent with the financial statements

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

14 June 2007

Profit and loss account

for the year ended 31 December 2006

	<i>Note</i>	2006 £'000	2005 £'000
Turnover	2	10,110	11,733
Cost of sales		(6,869)	(7,618)
Gross profit		3,241	4,115
Administrative expenses		(5,467)	(3,041)
Operating (loss)/profit before exceptional charges		(444)	1,074
Exceptional administrative expenses included in administrative expenses above	6	(1,782)	-
Operating (loss)/profit	3	(2,226)	1,074
Interest receivable	7	280	47
Interest payable	8	(3)	(2)
(Loss)/profit on ordinary activities before taxation		(1,949)	1,119
Taxation on (loss)/profit on ordinary activities	9	8	(198)
(Loss)/profit on ordinary activities after taxation for the year	18	(1,941)	921

All amounts in the current and prior years relate to the continuing activities

All recognised gains and losses in the current and prior year are included in the profit and loss account

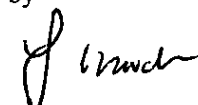
The notes on pages 8 to 18 form part of these financial statements

Balance sheet
at 31 December 2006

	<i>Note</i>	2006	2005
		£'000	£'000
Fixed assets			
Intangible assets	11	2,153	3,295
Tangible assets	12	<u>605</u>	<u>41</u>
		2,758	3,336
Current assets			
Stocks	13	570	483
Debtors	14	5,991	6,934
Cash at bank and in hand		<u>491</u>	<u>504</u>
		7,052	7,921
Creditors: amounts falling due within one year	15	<u>(9,516)</u>	<u>(9,015)</u>
Net current liabilities		(2,464)	(1,094)
Total assets less current liabilities		294	2,242
Provisions for liabilities and charges	16	<u>(165)</u>	<u>(172)</u>
Net assets		129	2,070
Capital and reserves			
Called up share capital	17	-	-
Profit and loss account	18	<u>129</u>	<u>2,070</u>
Equity shareholders' funds	19	129	2,070

The notes on pages 8 to 18 form part of these financial statements

These financial statements were approved by the Board of Directors on 7 June 2007 and were signed on its behalf by



J S Sharrock
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied.

Basis of preparation

The Directors have prepared the financial statements on a going concern basis.

Cash flow statement

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the Company are controlled within the Group headed by Robotic Technology PLC and the Company is included in the consolidated financial statements.

Turnover

Net sales are derived from the design and installation of equipment and systems and the provision of design services, either under fixed price contracts or reimbursable contracts. Revenue is recognised on long-term contracts as a proportion of the total contract value on a percentage of cost complete basis. Net sales are also derived from maintenance contracts and are recognised on a time apportioned basis. All sales are stated net of sales related taxes.

Pre-contract costs

Pre-contract costs are recognised as expenses as incurred and charged to the profit and loss account.

Intangible fixed assets

Purchased goodwill

Purchased goodwill is currently written off over a 20 year period on a straight line basis.

Research and Development

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred.

Development costs are also charged to the profit and loss account in the year of expenditure, except when individual projects satisfy the following criteria: the project is clearly defined and related expenditure is separately identifiable, the project is technically feasible and commercially viable, current and future costs will be exceeded by future sales, and adequate resources exist for the project to be completed. In such circumstances the costs are carried forward and amortised over time or on a per unit basis but in all cases over a period not exceeding five years commencing in the year when the Group begins to benefit from the expenditure.

Impairment reviews of the carrying value of research and development are undertaken annually.

Notes (continued)

1 Accounting policies (continued)

Tangible fixed assets

Depreciation is provided to write-off the cost or valuation, less estimated residual values, of all fixed assets on a straight line basis, except freehold land, over their expected useful economic lives. It is calculated at the following annual rates:

Fixtures and fittings	-	20 - 33%
Plant and machinery	-	10 - 33%
Motor vehicles	-	20 - 33 %

Warranty provisions

Provisions for warranty costs are based upon estimates of liabilities expected to arise and are accrued throughout the life of each relevant contract. Warranty costs incurred are then charged against the provision.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

In considering whether deferred tax assets should be recognised, the Directors form a judgement as to recoverability.

Tax is calculated using the rates of tax that have been enacted by the balance sheet date.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated to sterling at the rates of exchange at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated as the cost of materials, direct labour and appropriate production overheads. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Long-term contracts

Amounts recoverable on long-term contracts are stated at cost plus attributable profits, less provision for any known or anticipated losses and payments on account, and are included in debtors. Payments on account in excess of amounts recoverable on long-term contracts are included in creditors.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes (continued)

1 Accounting policies (continued)

Leases and hire purchase contracts

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital element reduces the amounts payable to the lessor.

Hire purchase contracts are treated identically to finance leases. All other leases are treated as operating leases. Rentals due under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Pensions

Contributions to the Company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Financial instruments

Following the adoption of Financial Reporting Standard 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

The Company does not hold or issue derivative financial instruments for trading purposes.

The Company has not adopted amendments to Financial Reporting Standard 26 in relation to financial guarantee contracts which will apply for periods commencing on or after 1 January 2006. Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its Group, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Notes (continued)

2 Turnover

	2006 £'000	2005 £'000
<i>Analysis by geographical market:</i>		
United Kingdom	4,560	4,222
Rest of Europe	1,665	1,003
North America	3,885	6,508
	<u>10,110</u>	<u>11,733</u>

The Directors have taken advantage of the exemption provided by Statement of Standard Accounting Practice 25 paragraph 43, from disclosing operating profit before interest and tax and net assets attributable to each area of business on the basis that it would be seriously prejudicial to the interests of the Company

3 Operating (loss)/profit

	2006 £'000	2005 £'000
<i>(Loss)/profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation of tangible fixed assets	68	19
Amortisation of development costs	256	35
Hire of other assets - operating leases	95	88
Auditors remuneration in respect of the audit of these financial statements	<u>15</u>	<u>15</u>

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Robotic Technology Systems PLC

4 Staff numbers and costs

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

	Number of employees	
	2006	2005
Production	73	73
Administration	<u>30</u>	<u>25</u>
	<u>103</u>	<u>98</u>

The aggregate payroll costs of these persons were as follows

	2006 £'000	2005 £'000
Wages and salaries	3,747	3,452
Social security costs	436	405
Other pension and healthcare costs	<u>233</u>	<u>203</u>
	<u>4,416</u>	<u>4,060</u>

Notes *(continued)*

5 Remuneration of directors

	2006 £'000	2005 £'000
Directors' emoluments	371	296
Company contributions to money purchase pension schemes	21	19
	<u>392</u>	<u>315</u>

Four Directors were in the Company's defined contribution pension scheme during the current year (2005 3)

6 Exceptional administrative expenses

	2006 £'000	2005 £'000
Impairment of intangible fixed assets (see Note 11)	1,600	-
Restructuring costs	182	-
	<u>1,782</u>	<u>-</u>

7 Interest receivable

	2006 £'000	2005 £'000
Bank interest receivable	20	47
Movements on foreign currency denominated assets and liabilities	260	-
	<u>280</u>	<u>47</u>

8 Interest payable

	2006 £'000	2005 £'000
Bank interest payable	<u>3</u>	<u>2</u>

Notes (continued)

9 Taxation on profit on ordinary activities

	2006 £'000	2005 £'000
<i>Current tax</i>		
UK corporation tax on profits of the year	-	158
Adjustments in respect of prior periods	(8)	106
Total current tax	(8)	264
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	(3)
Adjustment in respect of prior periods	-	(63)
Taxation on profit on ordinary activities	(8)	198

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2005 lower) than the standard rate of corporation tax in the UK of 30% (2005 30%). The differences are explained below

	2006 £'000	2005 £'000
<i>Current tax reconciliation</i>		
(Loss)/profit on ordinary activities before tax	(1,949)	1,119
Current tax at 30% (2005 30%)	(585)	336
<i>Effects of</i>		
Expenses not deductible for tax purposes/income not taxable	(108)	(181)
Capital allowances for period in excess of depreciation	(14)	3
Other timing differences	5	-
Group relief for which no payment is made	702	-
Adjustments to tax charge in respect of previous periods	(8)	106
Total current tax charge (see above)	(8)	264

At the year end the Company has recognised a deferred tax asset of £64,000 (2005 £64,000). This is made up of the following items

	2006 £'000
Accelerated capital allowances	(3)
Short term timing differences	67
	64

It has been announced that the corporation tax rate applicable to the Company is expected to change from 30% to 28% from 1 April 2008. The deferred tax asset has been calculated at 30% in accordance with Financial Reporting Standard 19. Any timing differences which reverse before 1 April 2008 will be charged at 30%, any timing differences which exist at 1 April 2008 will reverse at 28% and, because of the uncertainty of when the tax asset will reverse, it is not possible to calculate the full financial impact of this change.

Notes (continued)

10 Dividend paid

	2006 £'000	2005 £'000
Dividend paid	-	3,000

11 Intangible fixed assets

	Development costs £'000
Cost	
At 1 January 2006	3,330
Additions	714
Impairment	(1,600)
At 31 December 2006	<u>2,444</u>
Amortisation	
At 1 January 2006	35
Charge for the year	256
At 31 December 2006	<u>291</u>
Net book value	
At 31 December 2006	<u>2,153</u>
At 31 December 2005	<u>3,295</u>

Notes (continued)

12 Tangible fixed assets

	Freehold Land & Buildings £'000	Plant and machinery £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 January 2006	-	28	13	117	158
Additions	1	55	-	2	58
Disposals	-	-	(40)	-	(40)
Transfers from Group undertakings	830	-	40	-	870
At 31 December 2006	831	83	13	119	1,046
Depreciation					
At 1 January 2006	-	14	13	90	117
Charge for the year	42	16	-	10	68
Disposals	-	-	(20)	-	(20)
Transfers from Group undertakings	256	-	20	-	276
At 31 December 2006	298	30	13	100	441
Net book value					
At 31 December 2006	533	53	-	19	605
At 31 December 2005	-	14	-	27	41

13 Stocks and work in progress

	2006 £'000	2005 £'000
Raw materials and consumables	65	92
Work in progress	505	391
	570	483

There is no material difference between the replacement cost of stocks and the amounts stated above

14 Debtors

	2006 £'000	2005 £'000
Trade debtors	2,039	2,618
Amounts owed by Group undertakings	2,306	2,225
Amounts recoverable under long-term contracts	1,240	1,821
Other debtors	33	11
Corporation tax recoverable	10	-
Deferred tax recoverable (see note 9)	64	64
Prepayments and accrued income	299	195
	5,991	6,934

All amounts shown under debtors fall due for payment within one year

Notes (continued)

15 Creditors: amounts falling due within one year

	2006 £'000	2005 £'000
Payments received on account	786	944
Trade creditors	650	2,130
Amounts owed to Group undertakings	6,642	5,130
Other taxes and social security	125	196
Accruals and deferred income	1,282	615
Other creditors	31	-
	<u>9,516</u>	<u>9,015</u>

16 Provisions for liabilities and charges

	2006 £'000	2005 £'000
Warranty	<u>165</u>	<u>172</u>

	£'000
Warranty	
At 1 January 2006	172
Provision made during year	135
Provision utilised during year	(142)
At 31 December 2006	<u>165</u>

17 Called up share capital

	2006 £'000	2005 £'000
Authorised		
Equity 1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
	£	£
Allotted, called up and fully paid		
Equity 1 ordinary shares of £1 each	<u>1</u>	<u>1</u>

Notes (continued)

18 Profit and loss reserve

	£'000
Opening profit and loss reserve 1 January 2006	2,070
(Loss)/profit for the financial year	(1,941)
Closing profit and loss reserve 31 December 2006	<u>129</u>

19 Reconciliation of movements in shareholders' funds

	2006 £'000	2005 £'000
(Loss)/profit for the financial year	(1,941)	921
Dividend paid	-	(3,000)
Net reduction to shareholders' funds	<u>(1,941)</u>	<u>(2,079)</u>
Opening shareholders' funds	2,070	4,149
Closing shareholders' funds	<u>129</u>	<u>2,070</u>

20 Contingent liabilities

The Company is party to composite guarantees in relation to the banking facilities of Robotic Technology Systems PLC and its subsidiary undertakings. At the year end there were no liabilities covered by these guarantees.

The Company has provided a guarantee for liabilities arising under a United Kingdom VAT grouping with other fellow subsidiaries. At the year end the liabilities covered by this guarantee totalled £101,000 (2005 £292,000).

21 Pensions

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounted to £166,604 (2005 154,063). Amounts totalling £22,730 have been accrued and deducted but not paid to the scheme at 31 December 2006 (2005 £17,897). The average number of employees participating in the scheme during the year was 93 (2005 90).

Notes *(continued)*

22 Related party disclosures

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the Group headed by Robotic Technology Systems PLC on the grounds that at least 90% of the voting rights in the Company are controlled within that Group and that the Group is included in consolidated financial statements

23 Ultimate parent company and parent undertaking of large group

The Company is a subsidiary of RTS Thurnall (Holdings) PLC The ultimate parent undertaking of the Company is Robotic Technology Systems PLC

Copies of the consolidated financial statements of Robotic Technology Systems PLC are available from Companies House, Crown Way, Mandy, Cardiff CF14 3UZ