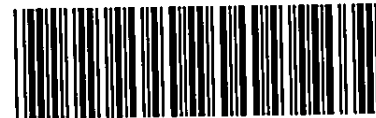


Report of the Directors and
Financial Statements for the Year Ended 31 October 2011
for
P3 Medical Limited

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for the Year Ended 31 October 2011

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P3 Medical Limited

Company Information
for the Year Ended 31 October 2011

DIRECTORS:

I McEvoy
S C Talbot
H Modi
W E Hughes

REGISTERED OFFICE:

1 Newbridge Close
Bristol
BS4 4AX

REGISTERED NUMBER:

01072913 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

Robert F Haysom

AUDITORS:

Haysom Silverton & Partners Ltd
Statutory Auditor
Norfolk House
82 Saxon Gate West
Milton Keynes
MK9 2DL

Report of the Directors
for the Year Ended 31 October 2011

The directors present their report with the financial statements of the company for the year ended 31 October 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and distribution of medical products

REVIEW OF BUSINESS

During the year the company has acquired the freehold of the Bristol site and leased a further 7,000 Square feet next door in order to expand the manufacturing base of the company

The company finished writing down acquired goodwill in August 2010 and therefore the year to October 2011 has seen a significant improvement in the balance sheet

The gearing of the company has increased slightly due to the mortgage taken out on the freehold but the cost of this is significantly below the rent the company was paying

Set out below is the turnover and trading margin over the last 4 years

	2011	2010	2009	2008
	£000	£000	£000	£000
Turnover	5,446	5,495	5,511	5,593
Gross profit margin	39.96%	34.76%	38.30%	43.15%

Business risks

The directors believe that the main risk to the business is the pressure being exerted by the Government on NHS Funding over the coming years

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2011

FUTURE DEVELOPMENTS

During the year the company has recruited several key employees in the product development area. This together with more manufacturing space will enable the company not only to bring forward existing new product development but also considering more in house manufacturing of existing products

The directors believe that the company is trading sufficiently well to fund this expansion from internally generated funds

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2010 to the date of this report

I McEvoy
S C Talbot
H Modi

Other changes in directors holding office are as follows

W E Hughes - appointed 22 July 2011

Report of the Directors
for the Year Ended 31 October 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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,
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

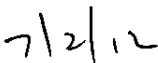
The auditors, Haysom Silverton & Partners Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



S C Talbot - Director

Date



Report of the Independent Auditors to the Members of
P3 Medical Limited

We have audited the financial statements of P3 Medical Limited for the year ended 31 October 2011 on pages five to eighteen. 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 a Report of the Auditors 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

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 financial statements 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 October 2011 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.

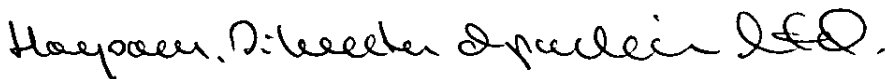
Opinion on other matter prescribed by the Companies Act 2006

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

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.



Robert F Haysom (Senior Statutory Auditor)
for and on behalf of Haysom Silverton & Partners Ltd
Statutory Auditor
Norfolk House
82 Saxon Gate West
Milton Keynes
MK9 2DL

Date

7/2/2012

P3 Medical Limited (Registered number 01072913)

Profit and Loss Account
for the Year Ended 31 October 2011

	Notes	2011 £	£	2010 £	£
TURNOVER	2		5,445,733		5,495,196
Cost of sales			3,269,606		3,605,618
GROSS PROFIT			2,176,127		1,889,578
Distribution costs		262,057		286,832	
Administrative expenses		1,534,930		1,806,579	
			1,796,987		2,093,411
OPERATING PROFIT/(LOSS)	4		379,140		(203,833)
Interest receivable and similar income			4,614		4,992
			383,754		(198,841)
Interest payable and similar charges	5		30,039		51,516
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			353,715		(250,357)
Tax on profit/(loss) on ordinary activities	6		99,232		(71,162)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			254,483		(179,195)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year

The notes form part of these financial statements

P3 Medical Limited (Registered number 01072913)

Balance Sheet
31 October 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Intangible assets	7	-	-
Tangible assets	8	1,284,278	377,650
		<u>1,284,278</u>	<u>377,650</u>
CURRENT ASSETS			
Stocks	9	797,151	659,957
Debtors	10	1,161,945	1,269,642
Cash at bank and in hand		331,347	378,983
		<u>2,290,443</u>	<u>2,308,582</u>
CREDITORS			
Amounts falling due within one year	11	841,707	659,179
NET CURRENT ASSETS		<u>1,448,736</u>	<u>1,649,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,733,014</u>	<u>2,027,053</u>
CREDITORS			
Amounts falling due after more than one year	12	(1,714,329)	(1,271,455)
PROVISIONS FOR LIABILITIES	16	(36,602)	(27,998)
NET ASSETS		<u><u>982,083</u></u>	<u><u>727,600</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	1,000,000	1,000,000
Profit and loss account	18	(17,917)	(272,400)
SHAREHOLDERS' FUNDS	23	<u><u>982,083</u></u>	<u><u>727,600</u></u>

The financial statements were approved by the Board of Directors on its behalf by



S C Talbot - Director

7/2/12

and were signed on

The notes form part of these financial statements

**Cash Flow Statement
for the Year Ended 31 October 2011**

	Notes	2011 £	2010 £
Net cash inflow from operating activities	1	508,440	604,613
Returns on investments and servicing of finance	2	(25,425)	(46,524)
Taxation		-	53,869
Capital expenditure	2	(997,484)	(53,837)
		(514,469)	558,121
Financing	2	466,833	(359,652)
(Decrease)/Increase in cash in the period		(47,636)	198,469

**Reconciliation of net cash flow
to movement in net funds**

	3		
(Decrease)/Increase in cash in the period		(47,636)	198,469
Cash inflow from increase in debt		(533,948)	-
Change in net funds resulting from cash flows		(581,584)	198,469
Movement in net funds in the period		(581,584)	198,469
Net funds at 1 November		378,983	180,514
Net (debt)/funds at 31 October		(202,601)	378,983

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 October 2011

1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit/(loss)	379,140	(203,833)
Depreciation charges	90,856	627,339
(Increase)/Decrease in stocks	(137,194)	59,081
Decrease in debtors	204,488	22,842
(Decrease)/Increase in creditors	(28,850)	99,184
Net cash inflow from operating activities	508,440	604,613

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	4,614	4,992
Interest paid	(30,039)	(51,516)
Net cash outflow for returns on investments and servicing of finance	(25,425)	(46,524)
Capital expenditure		
Purchase of tangible fixed assets	(998,015)	(54,597)
Sale of tangible fixed assets	531	760
Net cash outflow for capital expenditure	(997,484)	(53,837)
Financing		
New loans in year	560,000	-
Loan repayments in year	(26,052)	-
Amount introduced by directors	9,000	-
Share issue	-	996,054
Advanced by group companies	(76,115)	(1,355,706)
Net cash inflow/(outflow) from financing	466,833	(359,652)

Notes to the Cash Flow Statement
for the Year Ended 31 October 2011

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 11 10 £	Cash flow £	At 31 10 11 £
Net cash			
Cash at bank and in hand	378,983	(47,636)	331,347
	<u>378,983</u>	<u>(47,636)</u>	<u>331,347</u>
Debt			
Debts falling due within one year	-	(120,750)	(120,750)
Debts falling due after one year	-	(413,198)	(413,198)
	<u>-</u>	<u>(533,948)</u>	<u>(533,948)</u>
Total	<u>378,983</u>	<u>(581,584)</u>	<u>(202,601)</u>

Notes to the Financial Statements
for the Year Ended 31 October 2011

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis, notwithstanding the net liabilities shown on the balance sheet. The company policy of writing goodwill off over a period of 4 years has reduced the reported profits and reserves, but the directors believe that the company's business is profitable, and that it can meet its debts as they fall due. It has the ongoing support of its ultimate parent company.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company in the ordinary course of business for goods and services invoiced, excluding VAT and trade discounts.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2006, is being amortised evenly over its estimated useful life of four years.

The directors are of the opinion that the market for medical products is undergoing fundamental changes and that goodwill should not be anticipated over a longer period.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under finance lease, over the lease term, whichever is the shorter.

Short Leasehold Building - lease period

Fixtures & Fittings - 20% on cost

Computer Equipment - 33% on cost

Motor Vehicles - 25% on cost

Plant & Machinery - 5 to 10 years on cost

Assets in course of Construction - not depreciated

Freehold Property - 2% on cost

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Cost is calculated at invoiced value plus carriage, in the case of stocks being sold on, and comprises of the direct costs of bringing the stock to its present location and condition, including allocated direct overheads and transport costs in the case of manufactured stock.

Valuations are performed on a first in, first out basis. Net realisable value is based on normal selling prices less any further direct costs of disposal.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

1 ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

2 TURNOVER

The turnover and profit (2010 - loss) before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	2011 £	2010 £
United Kingdom	4,157,443	4,210,412
Europe	718,292	674,847
Rest of world	569,998	609,937
	<u>5,445,733</u>	<u>5,495,196</u>

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	1,420,275	1,231,281
Social security costs	120,014	91,473
Other pension costs	13,794	27,676
	<u>1,554,083</u>	<u>1,350,430</u>

The average monthly number of employees during the year was as follows

	2011	2010
Production	62	62
Sales	8	7
Administration	4	4
	<u>74</u>	<u>73</u>

4 OPERATING PROFIT/(LOSS)

The operating profit (2010 - operating loss) is stated after charging/(crediting)

	2011 £	2010 £
Depreciation - owned assets	90,856	96,008
Goodwill amortisation	-	531,331
Auditors' remuneration	6,550	6,020
Operating leases - plant and machinery	40,563	43,900
Operating leases - land and buildings	122,943	132,009
Loss/(profit) on foreign exchange	8,785	(5,658)
	<u></u>	<u></u>
Directors' remuneration	103,067	61,523
Directors' pension contributions to money purchase schemes	2,931	3,517
	<u></u>	<u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

4 OPERATING PROFIT/(LOSS) - continued

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Bank loan interest	7,513	-
Other interest	-	170
Interest charged by group	<u>22,526</u>	<u>51,346</u>
	<u>30,039</u>	<u>51,516</u>

6 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	90,628	-
Group relief	-	(53,869)
Total current tax	<u>90,628</u>	<u>(53,869)</u>
Deferred tax	<u>8,604</u>	<u>(17,293)</u>
Tax on profit/(loss) on ordinary activities	<u>99,232</u>	<u>(71,162)</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2011 £	2010 £
Profit/(loss) on ordinary activities before tax	<u>353,715</u>	<u>(250,357)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 21%)	91,966	(52,575)
Effects of		
Expenses not allowed	2,817	3,225
Depreciation in excess of capital allowances	11,247	9,588
Research and development	(2,600)	(16,800)
Change in rates/marginal relief	(3,249)	2,693
Brought forward losses utilised	<u>(9,553)</u>	<u>-</u>
Current tax charge/(credit)	<u>90,628</u>	<u>(53,869)</u>

Group relief was calculated at the rate agreed with the ultimate parent company, of 20%

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 November 2010 and 31 October 2011	2,541,406
AMORTISATION	
At 1 November 2010 and 31 October 2011	2,541,406
NET BOOK VALUE	
At 31 October 2011	-
At 31 October 2010	-

8 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Plant & motor vehicles £
COST			
At 1 November 2010	-	42,719	897,481
Additions	955,573	3,676	21,768
Transfer to ownership	46,395	(46,395)	-
Reclassification/transfer	-	-	4,162
At 31 October 2011	1,001,968	-	923,411
DEPRECIATION			
At 1 November 2010	-	39,661	599,006
Charge for year	5,010	3,702	67,246
Transfer to ownership	43,363	(43,363)	-
At 31 October 2011	48,373	-	666,252
NET BOOK VALUE			
At 31 October 2011	953,595	-	257,159
At 31 October 2010	-	3,058	298,475

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

8 **TANGIBLE FIXED ASSETS - continued**

	Fixtures & computers £	In course of construction £	Totals £
COST			
At 1 November 2010	215,213	42,291	1,197,704
Additions	13,405	3,593	998,015
Disposals	-	(531)	(531)
Reclassification/transfer	-	(4,162)	-
At 31 October 2011	228,618	41,191	2,195,188
DEPRECIATION			
At 1 November 2010	181,387	-	820,054
Charge for year	14,898	-	90,856
Transfer to ownership	-	-	-
At 31 October 2011	196,285	-	910,910
NET BOOK VALUE			
At 31 October 2011	32,333	41,191	1,284,278
At 31 October 2010	33,826	42,291	377,650

9 **STOCKS**

	2011 £	2010 £
Stocks	560,546	376,098
Raw materials	225,937	278,657
Work-in-progress	10,668	5,202
	797,151	659,957

10 **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Trade debtors	689,380	774,724
Amounts owed by group undertakings	159,660	53,869
Other debtors	22,637	111,054
Directors' current accounts	106,000	115,000
Tax	28,750	28,750
Prepayments and accrued income	155,518	186,245
	1,161,945	1,269,642

The director's current account of £106,000 is unlikely all to be repaid within 12 months of the balance sheet date

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank loans and overdrafts (see note 13)	120,750	-
Trade creditors	323,010	357,465
Tax	90,628	-
Social security and other taxes	148,756	139,867
Other creditors	14,965	44,833
Accrued expenses	143,598	117,014
	<u>841,707</u>	<u>659,179</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Bank loans (see note 13)	413,198	-
Amounts owed to group undertakings	1,301,131	1,271,455
	<u>1,714,329</u>	<u>1,271,455</u>

The inter-group balances have no fixed repayment terms and no interest is being charged

13 LOANS

An analysis of the maturity of loans is given below

	2011 £	2010 £
Amounts falling due within one year or on demand		
Bank loans	<u>120,750</u>	<u>-</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>120,750</u>	<u>-</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>292,448</u>	<u>-</u>

14 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2011 £	2010 £	2011 £	2010 £
Expiring				
Within one year	-	-	3,120	13,069
Between one and five years	<u>90,060</u>	<u>124,790</u>	<u>30,374</u>	<u>9,285</u>
	<u>90,060</u>	<u>124,790</u>	<u>33,494</u>	<u>22,354</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

15 SECURED DEBTS

The following secured debts are included within creditors

	2011 £	2010 £
Bank loans	<u>533,948</u>	<u>-</u>

There is a legal charge for the loan on the property, and assets of the company

16 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax	<u>36,602</u>	<u>27,998</u>
		Deferred tax £
Balance at 1 November 2010		27,998
Increase in provision		<u>8,604</u>
Balance at 31 October 2011		<u>36,602</u>

The provision is made in respect of timing differences in respect of fixed assets subject to capital allowances

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2011 £	2010 £
1,000,000	Ordinary		<u>1,000,000</u>	<u>1,000,000</u>

18 RESERVES

	Profit and loss account £
At 1 November 2010	(272,400)
Profit for the year	<u>254,483</u>
At 31 October 2011	<u>(17,917)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

19 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of P3 Medical Group Limited

The ultimate parent company is Jardines (UK) Limited. Copies of the consolidated financial statements can be obtained from

Lakeside
Shirwell Crescent
Milton Keynes
MK4 1GA

Consequently no disclosure has been made of transactions with other group entities

The ultimate controlling party is Mr H Modi

20 CONTINGENT LIABILITIES

The company and P3 Medical Group Limited and Promedica UK Limited have entered into an agreement with Bank of Scotland to guarantee unconditionally on a joint and several basis, any liability to the bank against all group assets in any company

The limit of the liability as at 31 October 2011 is £nil (2010 - £nil)

The bank holds a debenture giving a fixed and floating charge over the whole assets of the company

The company had a contract for the purchase of US Dollars to be drawn by 14 June 2011. The outstanding balance as at 31st October 2010 was \$250,000

21 TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 31 October 2011 and 31 October 2010

	2011 £	2010 £
S C Talbot		
Balance outstanding at start of year	115,000	115,000
Amounts repaid	(9,000)	-
Balance outstanding at end of year	<u>106,000</u>	<u>115,000</u>

The loan to S Talbot has no fixed repayment terms, and carries interest at 4.75% (reduced from 6.25% on 1st March 2009) on the outstanding balance. Interest of £4,480 (2010 - £4,969) has been charged and is included in prepayments and accrued income

Consultancy fees of £nil (2010 - £32,529) have been paid to Halifax Fan (Hong Kong) Ltd for the services of the director I McEvoy

Notes to the Financial Statements - continued
for the Year Ended 31 October 2011

22 RELATED PARTY DISCLOSURES

INTERCOMPANY CURRENT ACCOUNTS

The company is owed by and indebted to other group companies throughout the year. No interest is paid or charged on these amounts, which are repayable on demand. The analysis of these amounts is as follows -

	2011 £	2010 £
Owed to Promedica UK Limited	920,227	920,338
Owed to P3 Medical Group Limited	380,904	351,117
Owed by Jardines UK Limited	159,660	53,958

INTEREST ON LOANS

Bank loan interest of £7,513 (2010 £27,522) paid by P3 Medical Group Limited has been recharged to P3 Medical Limited

Loan interest of £22,526 (2010 £23,823) paid by P3 Medical Group Limited to its parent company, Jardines UK Limited, has been recharged to P3 Medical Limited

TAX LOSSES SURRENDERED TO ULTIMATE PARENT COMPANY

The company was generating tax losses because of the amortisation of goodwill. The company had agreed to surrender these losses to Jardines UK Limited in exchange for a payment of £53,958 for the year ended 31 October 2010, which amounted to 20% of the losses concerned.

INSURANCE COSTS

Insurance includes £57,270 (2010 - £49,947) paid to Allied Westminster (Insurance Services) Limited, an associate company of the parent company. All transactions were in the ordinary course of business.

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit/(Loss) for the financial year	254,483	(179,195)
Share capital issued at par	-	996,054
Net addition to shareholders' funds	254,483	816,859
Opening shareholders' funds	727,600	(89,259)
Closing shareholders' funds	982,083	727,600