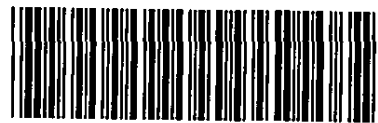


REGISTERED NUMBER: 01072913 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 October 2012
for
P3 Medical Limited

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for the Year Ended 31 October 2012

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P3 Medical Limited
Company Information
for the Year Ended 31 October 2012

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:	Neal Carter ACA
AUDITORS	Hillier Hopkins LLP Statutory Auditor Norfolk House Centre Suite 82 Saxon Gate West Milton Keynes MK9 2DL

Report of the Directors
for the Year Ended 31 October 2012

The directors present their report with the financial statements of the company for the year ended 31 October 2012

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 significantly expanded the manufacturing capabilities of its Bristol factory and acquired the assets of a significant supplier and competitor. These actions have reduced profitability in the short term and some once-off integration costs have been incurred and written off. The directors are committed to growing the business and the actions taken have significantly improved the company's opportunities for future development which are already showing significant promise.

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

	2012	2011	2010	2009
	£000	£000	£000	£000
Turnover	5,871	5,446	5,495	5,511
Gross profit margin	38.98%	39.96%	34.76%	38.30%

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 2012

FUTURE DEVELOPMENTS

The company is working on a number of development projects for new and innovative medical devices as part of an overall growth strategy. The improvements made to the business infrastructure in the last year's will enable the exploitation of these and other developments as they arise.

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2011 to the date of this report.

I McEvoy
S C Talbot
H Modi
W E Hughes

Report of the Directors
for the Year Ended 31 October 2012

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, Hillier Hopkins LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



S C Talbot - Director

Date

25/7/12

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 2012 on pages five to seventeen. 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 Report of the Directors 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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Neal Carter ACA (Senior Statutory Auditor)
for and on behalf of Hillier Hopkins LLP
Statutory Auditor
Norfolk House Centre
Suite 82
Saxon Gate West
Milton Keynes
MK9 2DL

Date 29/07/13

Profit and Loss Account
for the Year Ended 31 October 2012

	Notes	2012 £	2011 £
TURNOVER	2	5,909,672	5,445,733
Cost of sales		<u>3,609,239</u>	<u>3,269,606</u>
GROSS PROFIT		2,300,433	2,176,127
Distribution costs		290,699	262,057
Administrative expenses		<u>1,805,923</u>	<u>1,534,929</u>
		<u>2,096,622</u>	<u>1,796,986</u>
OPERATING PROFIT	4	203,811	379,141
Interest receivable and similar income		<u>4,031</u>	<u>4,614</u>
		207,842	383,755
Interest payable and similar charges	5	<u>39,660</u>	<u>30,039</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		168,182	353,716
Tax on profit on ordinary activities	6	<u>20,007</u>	<u>99,232</u>
PROFIT FOR THE FINANCIAL YEAR		<u>148,175</u>	<u>254,484</u>

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 profits for the current year or previous year

Balance Sheet
31 October 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	7	-	-
Tangible assets	8	<u>1,854,687</u>	<u>1,284,278</u>
		1,854,687	1,284,278
CURRENT ASSETS			
Stocks	9	800,901	797,151
Debtors	10	1,067,072	1,161,945
Cash at bank and in hand		<u>97,517</u>	<u>331,347</u>
		1,965,490	2,290,443
CREDITORS			
Amounts falling due within one year	11	<u>1,043,865</u>	<u>841,706</u>
NET CURRENT ASSETS		<u>921,625</u>	<u>1,448,737</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,776,312	2,733,015
CREDITORS			
Amounts falling due after more than one year	12	(1,609,627)	(1,714,329)
PROVISIONS FOR LIABILITIES	16	<u>(36,426)</u>	<u>(36,602)</u>
NET ASSETS		<u><u>1,130,259</u></u>	<u><u>982,084</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	1,000,000	1,000,000
Profit and loss account	18	<u>130,259</u>	<u>(17,916)</u>
SHAREHOLDERS' FUNDS	23	<u><u>1,130,259</u></u>	<u><u>982,084</u></u>

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

25/7/13

and were signed on



S C Talbot - Director

Cash Flow Statement
for the Year Ended 31 October 2012

	Notes	2012 £	2011 £
Net cash inflow from operating activities	1	393,984	508,441
Returns on investments and servicing of finance	2	(35,629)	(25,425)
Taxation		(74,000)	-
Capital expenditure	2	<u>(688,831)</u>	<u>(997,485)</u>
		(404,476)	(514,469)
Financing	2	<u>170,646</u>	<u>466,833</u>
Decrease in cash in the period		<u>(233,830)</u>	<u>(47,636)</u>
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(233,830)	(47,636)
Cash outflow/(inflow) from decrease/(increase) in debt		<u>106,159</u>	<u>(533,948)</u>
Change in net debt resulting from cash flows		<u>(127,671)</u>	<u>(581,584)</u>
Movement in net debt in the period		(127,671)	(581,584)
Net (debt)/funds at 1 November		<u>(202,601)</u>	<u>378,983</u>
Net debt at 31 October		<u>(330,272)</u>	<u>(202,601)</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 October 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	£	£
Operating profit	203,811	379,141
Depreciation charges	118,423	90,856
Increase in stocks	(3,750)	(137,194)
(Increase)/decrease in debtors	(76,787)	204,488
Increase/(decrease) in creditors	<u>152,287</u>	<u>(28,850)</u>
Net cash inflow from operating activities	<u>393,984</u>	<u>508,441</u>

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

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	4,031	4,614
Interest paid	<u>(39,660)</u>	<u>(30,039)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(35,629)</u>	<u>(25,425)</u>
Capital expenditure		
Purchase of tangible fixed assets	(688,831)	(998,016)
Sale of tangible fixed assets	<u>-</u>	<u>531</u>
Net cash outflow for capital expenditure	<u>(688,831)</u>	<u>(997,485)</u>
Financing		
New loans in year	-	560,000
Loan repayments in year	(106,159)	(26,052)
Amount introduced by directors	12,000	9,000
Advanced by group companies	<u>264,805</u>	<u>(76,115)</u>
Net cash inflow from financing	<u>170,646</u>	<u>466,833</u>

Notes to the Cash Flow Statement
for the Year Ended 31 October 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 11 11 £	Cash flow £	At 31 10 12 £
Net cash			
Cash at bank and in hand	<u>331,347</u>	<u>(233,830)</u>	<u>97,517</u>
	<u>331,347</u>	<u>(233,830)</u>	<u>97,517</u>
Debt			
Debts falling due within one year	(120,750)	-	(120,750)
Debts falling due after one year	<u>(413,198)</u>	<u>106,159</u>	<u>(307,039)</u>
	<u>(533,948)</u>	<u>106,159</u>	<u>(427,789)</u>
Total	<u>(202,601)</u>	<u>(127,671)</u>	<u>(330,272)</u>

Notes to the Financial Statements
for the Year Ended 31 October 2012

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.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

1 ACCOUNTING POLICIES - continued

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.

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 before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below.

	2012 £	2011 £
United Kingdom	4,476,740	4,157,443
Europe	811,774	718,292
Rest of world	<u>621,158</u>	<u>569,998</u>
	<u>5,909,672</u>	<u>5,445,733</u>

3 STAFF COSTS

	2012 £	2011 £
Wages and salaries	1,515,098	1,420,275
Social security costs	125,265	120,014
Other pension costs	<u>16,084</u>	<u>13,794</u>
	<u>1,656,447</u>	<u>1,554,083</u>

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

	2012	2011
Production	68	62
Sales	9	8
Administration	<u>5</u>	<u>4</u>
	<u>82</u>	<u>74</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation - owned assets	118,422	90,857
Auditors' remuneration	6,878	6,550
Operating leases - plant and machinery	41,000	40,563
Operating leases - land and buildings	114,111	122,943
Loss/(profit) on foreign exchange	<u>(774)</u>	<u>8,785</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

4 OPERATING PROFIT - continued

Directors' remuneration	105,202	103,067
Directors' pension contributions to money purchase schemes	<u>3,517</u>	<u>2,931</u>

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

	2012	2011
	£	£
Bank loan interest	14,589	7,513
Interest charged by group	<u>25,071</u>	<u>22,526</u>
	<u>39,660</u>	<u>30,039</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	20,183	90,628
Deferred tax	<u>(176)</u>	<u>8,604</u>
Tax on profit on ordinary activities	<u>20,007</u>	<u>99,232</u>

Factors affecting the tax charge

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

	2012	2011
	£	£
Profit on ordinary activities before tax	<u>168,182</u>	<u>353,716</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2011 - 26%)	33,636	91,966
Effects of		
Expenses not allowed	1,169	2,817
Depreciation in excess of capital allowances	(13,620)	11,247
Research and development	(2,000)	(2,600)
Change in rates/marginal relief	-	(3,249)
Brought forward losses utilised	-	(9,553)
Under provision from prior years	<u>998</u>	<u>-</u>
Current tax charge	<u>20,183</u>	<u>90,628</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 November 2011 and 31 October 2012	<u>2,541,406</u>
AMORTISATION	
At 1 November 2011 and 31 October 2012	<u>2,541,406</u>
NET BOOK VALUE	
At 31 October 2012	<u>-</u>
At 31 October 2011	<u>-</u>

8 TANGIBLE FIXED ASSETS

	Freehold property £	Plant & motor vehicles £	Fixtures & computers £	In course of construction £	Totals £
COST					
At 1 November 2011	1,001,968	923,411	228,618	41,192	2,195,189
Additions	<u>-</u>	<u>492,870</u>	<u>54,609</u>	<u>141,352</u>	<u>688,831</u>
At 31 October 2012	<u>1,001,968</u>	<u>1,416,281</u>	<u>283,227</u>	<u>182,544</u>	<u>2,884,020</u>
DEPRECIATION					
At 1 November 2011	48,373	666,252	196,286	-	910,911
Charge for year	<u>14,372</u>	<u>86,848</u>	<u>17,202</u>	<u>-</u>	<u>118,422</u>
At 31 October 2012	<u>62,745</u>	<u>753,100</u>	<u>213,488</u>	<u>-</u>	<u>1,029,333</u>
NET BOOK VALUE					
At 31 October 2012	<u>939,223</u>	<u>663,181</u>	<u>69,739</u>	<u>182,544</u>	<u>1,854,687</u>
At 31 October 2011	<u>953,595</u>	<u>257,159</u>	<u>32,332</u>	<u>41,192</u>	<u>1,284,278</u>

9 STOCKS

	2012 £	2011 £
Stocks	512,937	560,546
Raw materials	270,860	225,937
Work-in-progress	<u>17,104</u>	<u>10,668</u>
	<u>800,901</u>	<u>797,151</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	806,709	689,380
Amounts owed by group undertakings	-	159,660
Other debtors	17,230	22,637
Directors' current accounts	94,000	106,000
Tax	28,750	28,750
Prepayments and accrued income	120,383	155,518
	<u>1,067,072</u>	<u>1,161,945</u>

The director's current account of £94,000 is unlikely all to be repaid within 12 months of the balance sheet date

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts (see note 13)	120,750	120,750
Trade creditors	504,994	323,010
Amounts owed to group undertakings	103,688	-
Tax	36,811	90,628
Social security and other taxes	100,666	148,756
Other creditors	19,258	14,965
Accrued expenses	157,698	143,597
	<u>1,043,865</u>	<u>841,706</u>

12 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans (see note 13)	307,039	413,198
Amounts owed to group undertakings	1,302,588	1,301,131
	<u>1,609,627</u>	<u>1,714,329</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

	2012	2011
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>120,750</u>	<u>120,750</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>120,750</u>	<u>120,750</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>186,289</u>	<u>292,448</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

14 OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other operating leases	
	2012 £	2011 £	2012 £	2011 £
Expiring				
Within one year	-	-	-	3,120
Between one and five years	<u>90,060</u>	<u>90,060</u>	<u>44,232</u>	<u>30,374</u>
	<u>90,060</u>	<u>90,060</u>	<u>44,232</u>	<u>33,494</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2012 £	2011 £
Bank loans	<u>427,789</u>	<u>533,948</u>

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

16 PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Deferred tax	<u>36,426</u>	<u>36,602</u>
		Deferred tax £
Balance at 1 November 2011		36,602
Decrease/Increase in provision		<u>(176)</u>
Balance at 31 October 2012		<u>36,426</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			2012 £	2011 £
Number	Class	Nominal value		
1,000,000	Ordinary	£1	<u>1,000,000</u>	<u>1,000,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

18 RESERVES

	Profit and loss account £
At 1 November 2011	(17,916)
Profit for the year	<u>148,175</u>
At 31 October 2012	<u>130,259</u>

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

21 TRANSACTIONS WITH DIRECTORS

The following loan to directors subsisted during the years ended 31 October 2012 and 31 October 2011

	2012 £	2011 £
S C Talbot		
Balance outstanding at start of year	106,000	115,000
Amounts repaid	(12,000)	(9,000)
Balance outstanding at end of year	<u>94,000</u>	<u>106,000</u>

The loan to S Talbot has no fixed repayment terms, and carries interest at 4% (reduced from 4.75% on 1st April 2010) on the outstanding balance. Interest of £4,031 (2011 - £4,480) has been charged and is included in prepayments and accrued income

Notes to the Financial Statements - continued
for the Year Ended 31 October 2012

22 RELATED PARTY DISCLOSURES

INTER-COMPANY'S 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 -

	2012 £	2011 £
Owed to Promedica UK Limited	920,338	920,227
Owed to P3 Medical Group Limited	382,250	380,904
Owed to/(by) Jardines UK Limited	103,668	(159,660)

INTEREST ON LOANS

Loan interest of £25,071 (2011 £22,526) paid by P3 Medical Group Limited to its parent company, Jardines UK Limited, has been recharged to P3 Medical Limited.

INSURANCE COSTS

Insurance includes £63,970 (2011 - £57,270) 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

	2012 £	2011 £
Profit for the financial year	<u>148,175</u>	<u>254,484</u>
Net addition to shareholders' funds	148,175	254,484
Opening shareholders' funds	<u>982,084</u>	<u>727,600</u>
Closing shareholders' funds	<u><u>1,130,259</u></u>	<u><u>982,084</u></u>

Trading and Profit and Loss Account
for the Year Ended 31 October 2012

	2012		2011	
	£	£	£	£
Turnover				
Sales	4,476,740		4,157,443	
European economic community	811,774		718,292	
Rest of world	621,158		569,998	
		5,909,672		5,445,733
Cost of sales				
Opening stock	797,151		659,957	
Purchases	2,698,501		2,507,885	
Productive labour	747,173		747,904	
Social security	42,718		45,560	
(Profit)/loss on exchange	(774)		9,067	
Discounts allowed	38,523		29,138	
Depreciation of tangible fixed assets				
Plant and machinery	86,848		67,246	
	4,410,140		4,066,757	
Closing stock	(800,901)		(797,151)	
		3,609,239		3,269,606
GROSS PROFIT		2,300,433		2,176,127
Other income				
Deposit account interest	-		134	
Interest received - Directors	4,031		4,480	
		4,031		4,614
		2,304,464		2,180,741
Expenditure				
Carriage	134,390		121,658	
Advertising, exhibitions and promotions	104,675		81,011	
Motor and travel expenses	58,799		51,824	
Commission payable	(7,165)		7,564	
Rent and rates	200,838		179,617	
Light and heat	65,836		57,861	
Repairs to property	80,689		73,536	
Cleaning	12,364		11,098	
Factory expenses	55,578		20,042	
Directors' salaries	95,299		95,336	
Directors' social security	12,118		10,371	
Directors' pension contributions	3,517		2,931	
Wages	672,626		577,035	
Social security	70,429		64,083	
Pensions	12,567		10,863	
Telephone	23,250		16,829	
Post and stationery	33,425		24,950	
Travelling	46,765		33,628	
Staff training	16,378		20,548	
Insurance	87,003		72,823	
Equipment leasing	3,500		1,318	
Computer expenses	72,230		62,351	
Carried forward	1,855,111	2,304,464	1,597,277	2,180,741

This page does not form part of the statutory financial statements

P3 Medical Limited (Registered number 01072913)

Trading and Profit and Loss Account
for the Year Ended 31 October 2012

	2012		2011	
	£	£	£	£
Brought forward	1,855,111	2,304,464	1,597,277	2,180,741
Subscriptions	9,087		10,891	
Sundry expenses	2,981		10,764	
Legal and professional fees	170,698		131,779	
Auditors' remuneration	6,878		6,550	
Donations	540		456	
Entertainment	5,844		5,973	
		2,051,139		1,763,690
		253,325		417,051
Finance costs				
Bank charges	13,908		9,686	
Bank loan interest	14,589		7,513	
Interest charged by group	25,071		22,526	
		53,568		39,725
		199,757		377,326
Depreciation				
Freehold property	14,372		5,010	
Short leasehold	-		3,702	
Fixtures and fittings	17,203		14,898	
		31,575		23,610
NET PROFIT		168,182		353,716

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