

Registered number: 04038252

**SUNTECH MEDICAL GROUP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**



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**SUNTECH MEDICAL GROUP LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	A Meyers G Orr R Sweitzer P Sapra W Piland (resigned 2 August 2019)
<b>Company secretary</b>	M S Greenway
<b>Registered number</b>	04038252
<b>Registered office</b>	Oakfield Industrial Estate Eynsham Witney Oxfordshire OX29 4TS
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 10 Bricket Road St Albans United Kingdom AL1 3JX

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**SUNTECH MEDICAL GROUP LIMITED**

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## SUNTECH MEDICAL GROUP LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

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#### Introduction

The Directors present their Strategic Report for the year ended 31 March 2019 as follows:

#### Business review

The company's principle activity is that of a holding company for the SunTech UK sub-group. Formerly the company was the ultimate parent of the wider SunTech group, including its US subsidiaries. Following the acquisition of the SunTech Group by Halma plc and subsequent restructuring in April 2013, the US subsidiaries were transferred to another holding company in the Halma group. The Directors expect the current level and type of activity will continue for the foreseeable future.

The profit for the year was up 165% to £5,038,797 (2018: £1,898,937), as a result of changes to the amounts received from the subsidiary companies.

The company finished the year with net assets of £454,796 (2018: £455,309) and a positive cash balance.

#### Going concern

The company has net assets and a positive cash balance as set out in the balance sheet. The company is part of the Halma plc group of companies and as such has access to considerable financial resources, including a £550m revolving credit facility, running to November 2023, held with a core group of well-established banks, of which £476m was undrawn at 31 March 2019. The directors have a high level of confidence that despite the current economic uncertainty the company has access to the necessary liquid resources to meet its liabilities as they fall due and will be able to sustain its business model, strategy and operations and remain solvent for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.

#### Principal risks and uncertainties

The company acts mainly as a holding company. The main risk facing the company is the underlying performance of its subsidiary companies. The directors address this by ensuring the subsidiaries have sufficient resources from within the Halma group to be able to continue trading.

#### Financial key performance indicators

The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

#### Financial risk management

Details of the financial risk management objectives and policies, as well as details of exposure to foreign currency risk, interest rate risk, credit risk, and liquidity risk, can be found in Note 27 to the Halma plc group financial statements. These can be obtained as disclosed in Note 16.

This report was approved by the board on 13 September 2019 and signed on its behalf.



R Sweitzer  
Director

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## SUNTECH MEDICAL GROUP LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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The directors present their annual report and the audited financial statements for the year ended 31 March 2019.

#### Results and dividends

The profit for the year, after taxation, amounted to £5,038,797 (2018 - 1,898,937).

An interim dividend of £5,039,310 (2018 - £1,650,000) on ordinary shares was paid in the period. The directors do not propose the payment of a final dividend (2018 - £nil).

#### Directors

The directors who served during the year, and to the date of this report, were:

A Meyers  
G Orr  
R Sweitzer  
P Sapra  
W Piland (resigned 2 August 2019)

#### Environmental matters

The Halma plc group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the Group's Annual Report, which does not form part of this report. Initiatives designed to minimise the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

#### Qualifying third party indemnity provisions

The company has qualifying third party indemnity provisions for the benefit of its directors which were in place during the year and remain in force at the date of this report.

#### Matters covered in the strategic report

The directors' statements on going concern, future developments, and financial risk management are included in the Strategic Report.

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

#### Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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**SUNTECH MEDICAL GROUP LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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This report was approved by the board on *13 September 2019* and signed on its behalf.



R Sweitzer  
Director

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**SUNTECH MEDICAL GROUP LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2019**

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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.

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.

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## SUNTECH MEDICAL GROUP LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNTECH MEDICAL GROUP LIMITED

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## Report on the audit of the financial statements

### Opinion

In our opinion, Suntech Medical Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standard, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2019, the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.



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## SUNTECH MEDICAL GROUP LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNTECH MEDICAL GROUP LIMITED

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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SUNTECH MEDICAL GROUP LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNTECH MEDICAL GROUP LIMITED

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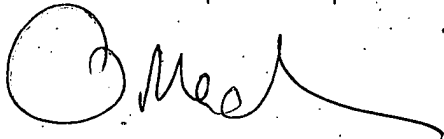
**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Owen Mackney (Senior statutory auditor)

for and on behalf of

**PricewaterhouseCoopers LLP**

Chartered Accountants and Statutory Auditors  
St Albans

Date: 16/9/19

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**SUNTECH MEDICAL GROUP LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2019**

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	Note	2019 £	2018 £
Administrative income/(expenses)		38,797	(1,063)
<b>Operating profit/(loss)</b>	4	<b>38,797</b>	<b>(1,063)</b>
Income from shares in group undertakings	7	5,000,000	1,900,000
<b>Profit before tax</b>		<b>5,038,797</b>	<b>1,898,937</b>
Tax on profit	8	-	-
<b>Profit and total comprehensive income for the year</b>		<b>5,038,797</b>	<b>1,898,937</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 12 to 20 form part of these financial statements.

All amounts relate to continuing operations.

**SUNTECH MEDICAL GROUP LIMITED**  
**REGISTERED NUMBER: 04038252**

**BALANCE SHEET**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	10	446,013	446,013
		<u>446,013</u>	<u>446,013</u>
<b>Current assets</b>			
Cash at bank and in hand	11	108,456	104,168
		<u>108,456</u>	<u>104,168</u>
Creditors: amounts falling due within one year	12	(99,673)	(94,872)
		<u>8,783</u>	<u>9,296</u>
<b>Net current assets</b>		<b>8,783</b>	<b>9,296</b>
<b>Total assets less current liabilities</b>		<b>454,796</b>	<b>455,309</b>
		<u>454,796</u>	<u>455,309</u>
<b>Net assets</b>			
		<b>454,796</b>	<b>455,309</b>
<b>Capital and reserves</b>			
Called up share capital	14	142,752	142,752
Profit and loss account		312,044	312,557
		<u>454,796</u>	<u>455,309</u>
<b>Shareholders' funds</b>		<b>454,796</b>	<b>455,309</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 September 2019.

  
**R Sweitzer**  
 Director

  
**G Orr**  
 Director

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**SUNTECH MEDICAL GROUP LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2018	<b>142,752</b>	<b>312,557</b>	<b>455,309</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	<b>5,038,797</b>	<b>5,038,797</b>
<b>Total comprehensive income for the year</b>	-	<b>5,038,797</b>	<b>5,038,797</b>
Dividends: Equity capital	-	<b>(5,039,310)</b>	<b>(5,039,310)</b>
<b>Total transactions with owners</b>	-	<b>(5,039,310)</b>	<b>(5,039,310)</b>
<b>At 31 March 2019</b>	<b>142,752</b>	<b>312,044</b>	<b>454,796</b>

The notes on pages 12 to 20 form part of these financial statements.

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**SUNTECH MEDICAL GROUP LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 2 April 2017	142,752	63,620	206,372
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,898,937	1,898,937
<b>Total comprehensive income for the year</b>	-	1,898,937	1,898,937
Dividends: Equity capital	-	(1,650,000)	(1,650,000)
<b>Total transactions with owners</b>	-	(1,650,000)	(1,650,000)
<b>At 31 March 2018</b>	<b>142,752</b>	<b>312,557</b>	<b>455,309</b>

The notes on pages 12 to 20 form part of these financial statements.

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## SUNTECH MEDICAL GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. General information

SunTech Medical Group Limited is a private company limited by shares incorporated and domiciled in the United Kingdom under the Companies Act 2006. The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The Company meets the definition of a qualifying entity under Financial reporting Standard (FRS 101) 'Reduced Disclosure Framework' issued by the Financial Reporting Council.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

New standards and interpretations not yet applied are disclosed on pages 128 and 129 of the consolidated financial statements of the ultimate parent. New standards applied for the first time are disclosed in section 2.4 and on pages 126 to 128 of the consolidated financial statements of the ultimate parent. These statements can be obtained as disclosed in note 16 below.

The following principal accounting policies have been applied:

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## SUNTECH MEDICAL GROUP LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

##### 2.3 Going concern

The company has net assets and a positive cash balance as set out in the balance sheet. The company is part of the Halma plc group of companies and as such has access to considerable financial resources, including a £550m revolving credit facility, running to November 2023, held with a core group of well-established banks, of which £476m was undrawn at 31 March 2019. The directors have a high level of confidence that despite the current economic uncertainty the company has access to the necessary liquid resources to meet its liabilities as they fall due and will be able to sustain its business model, strategy and operations and remain solvent for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the financial statements.



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**SUNTECH MEDICAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.4 Impact of new international reporting standards, amendments and interpretations**

**IFRS 9**

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 1 April 2018.

**IFRS 15**

There has been no impact on the Company's financial statements as a result of adopting IFRS 15 from 1 April 2018.

**2.5 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.9 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial

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**SUNTECH MEDICAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

**Fair value through profit or loss**

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

**Impairment of financial assets**

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

**Financial liabilities**

**Fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

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**SUNTECH MEDICAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.10 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The following is the critical judgement, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements. The directors do not consider that there is any significant estimation uncertainty in the preparation of financial statements.

**Impairment of investments**

The company acts as a holding company of investments. The directors must consider whether based on the underlying performance of the investments there is indicator of impairment present that would warrant an impairment review. Where such indicators are present the directors consider the value in use of the investment. The value in use calculation involves an estimation of the present value of future cash flows of the investment. The future cash flows are based on annual budgets, to which the management's expectation of market-share and long-term growth rates are applied. The present value is then calculated based on management's judgment of future discount rates.

**4. Operating profit/(loss)**

The operating loss is stated after crediting/(charging):

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Exchange differences	<b>39,445</b>	<b>(213)</b>

The directors are also directors of other Halma group companies. They were remunerated by other group companies. The amount relating to their services to the company was £NIL (2018 - £NIL).

**5. Auditors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor for the audit of the company's annual financial statements	<b>2,920</b>	<b>2,835</b>

**6. Employees**

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

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**SUNTECH MEDICAL GROUP LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**7. Income from shares in group undertakings**

	2019 £	2018 £
Income from shares in group undertakings	<u>5,000,000</u>	<u>1,900,000</u>

**8. Tax**

	2019 £	2018 £
<b>Total current tax</b>	<u>-</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit before tax	<u>5,038,797</u>	<u>1,898,937</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	957,371	360,798
<b>Effects of:</b>		
Non-taxable income	(950,000)	(361,000)
Group relief	(7,371)	202
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

The UK Corporation tax rate reduction to 17%, effective from 1 April 2020 has been substantively enacted.

**9. Dividends**

	2019 £	2018 £
Dividends paid on equity capital	<u>5,039,310</u>	<u>1,650,000</u>

**SUNTECH MEDICAL GROUP LIMITED**

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**10. Investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 April 2018	446,013
At 31 March 2019	446,013

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
SunTech Medical Ltd	Oakfield Industrial Estate, Eynsham, Witney, Oxfordshire OX29 4TS	Ordinary	100%
SunTech Medical Ltd (Hong Kong)	36/F., Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	Ordinary	100%
SunTech Group EB Trustee Ltd	Misbourne Court, Rectory Way, Amersham, Buckinghamshire HP7 0DE	Ordinary	100%
SunTech Medical Devices (Shenzhen) Co. Ltd*	105 HuanGuan South Road, Suite15 2~3/F, DaHe Community Guanlan, LongHua District, Shenzhen GuangDong PRC 518110	Ordinary	100%

\* Indirectly held by the company

**11. Cash and cash equivalents**

	<b>2019 £</b>	<b>2018 £</b>
Cash at bank and in hand	108,456	104,168

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**12. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Amounts owed to group undertakings	90,276	85,475
Other creditors	9,397	9,397
	<u>99,673</u>	<u>94,872</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**13. Financial instruments**

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>108,456</u>	<u>104,168</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(99,673)</u>	<u>(94,872)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and other creditors.

**14. Called up share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1,427,518 (2018 - 1,427,518) (2017: 1,427,218) Ordinary shares of £0.10 each	<u>142,752</u>	<u>142,752</u>

**15. Related party transactions**

The company is exempt under the terms of FRS 101 from disclosing related party transactions entered into between two or more members of a group, provided any subsidiary that is party to the transaction is wholly owned by such a member.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Controlling party**

The immediate parent company of SunTech Medical Group Limited is Halma International Limited. The ultimate parent company of SunTech Medical Group Limited and the parent company of the only group for which consolidated financial statements are prepared which include this company is Halma plc, which is incorporated in England and Wales. The financial statements of Halma plc can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Buckinghamshire, HP7 0DE.