

S.L.E. Limited**Abbreviated Accounts****For the year ended 31 July 2007****Company Registration No. 1649988 (England And Wales)**

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S.L.E. Limited

Directors' Report For the year ended 31 July 2007

The directors present their report and financial statements for the year ended 31 July 2007

Principal activities and review of the business

The principal activities of the company throughout the year were those of designing, manufacturing and supplying medical equipment

The company increased its turnover this year to record its best ever level of turnover. Commensurate with the increased turnover, a corresponding increase in profits would have been recorded except that one off costs reduced the overall profit. The percentage of SLE manufactured products continued to increase and the Company retained its focus on core market activities. In particular, export markets experienced growth despite difficult trading conditions. Turnover is expected to grow throughout this new financial year fuelled by continued growth in export markets.

The R&D programme for new products and product enhancements enables the company to continue to provide innovative products that satisfy our customers' requirements.

Overall the directors consider the results encouraging, and continued improvements in profitability and overall growth of the Company in the foreseeable future are expected by the directors.

Results and dividends

The results for the year are set out on page 4.

Research and development

The Company will continue its policy of investment in development in order to retain a competitive position in the market.

Directors

The following directors have held office since 1 August 2006:

D P Nelligan
B J Nelligan
M D Donovan
R K L Woodrow

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors to the company for the ensuing year.

S.L.E. Limited

Directors' Report (continued) For the year ended 31 July 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mrs S. Nelligan

Secretary

12 March 2008

S.L.E. Limited

Independent Auditors' Report To S.L.E. Limited **Under section 247b of the companies act 1985 under section 247b of the** **companies act 1985**

We have examined the abbreviated accounts set out on pages 4 to 18, together with the financial statements of S L E Limited for the year ended 31 July 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Kingston Smith LLP

Kingston Smith LLP

Chartered Accountants

Registered Auditors

12 March 2008

Surrey House
36-44 High Street
Redhill
Surrey
RH1 1RH

S.L.E. Limited

Abbreviated Profit and Loss Account For the year ended 31 July 2007

	Notes	2007 £	2006 £
Gross profit		3,643,069	3,177,901
Distribution costs		(660,400)	(674,954)
Administrative expenses		(2,412,463)	(2,277,383)
Operating profit	2	570,206	225,564
Profit on sale of UK diagnostic distribution division		39,997	43,786
Profit on ordinary activities before interest		610,203	269,350
Interest receivable and similar income		44,853	27,993
Interest payable and similar charges	4	(201,665)	(177,245)
Profit on ordinary activities before taxation		453,391	120,098
Tax on profit on ordinary activities	5	(195,433)	(27,376)
Profit for the year	16	257,958	92,722

S.L.E. Limited

Abbreviated Statement of Total Recognised Gains and Losses For the year ended 31 July 2007

	Notes	2007 £	2006 £
Profit for the financial year		257,958	92,722
Unrealised surplus on revaluation of properties		-	154,115
Total recognised gains and losses relating to the year		<u>257,958</u>	<u>246,837</u>

S.L.E. Limited

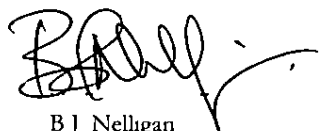
Abbreviated Balance Sheet As at 31 July 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	6	837,133	942,640
Investments	7	220	220
		<u>837,353</u>	<u>942,860</u>
Current assets			
Stocks	8	2,277,413	1,601,315
Debtors	9	1,961,133	1,777,969
Investments	10	-	433,821
Cash at bank and in hand		1,592,805	119,289
		<u>5,831,351</u>	<u>3,932,394</u>
Creditors amounts falling due within one year	11	<u>(3,646,952)</u>	<u>(2,003,035)</u>
Net current assets		<u>2,184,399</u>	<u>1,929,359</u>
Total assets less current liabilities		<u>3,021,752</u>	<u>2,872,219</u>
Creditors amounts falling due after more than one year	12	(541,000)	(632,477)
Provisions for liabilities	13	(83,979)	(100,927)
Net Assets		<u><u>2,396,773</u></u>	<u><u>2,138,815</u></u>
Capital and reserves			
Called up share capital	15	25,000	25,000
Revaluation reserve	16	123,707	126,232
Profit and loss account	16	2,248,066	1,987,583
Shareholders' funds	17	<u><u>2,396,773</u></u>	<u><u>2,138,815</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

Approved by the Board and authorised for issue on

12/3/08.



B J Nelligan
Director

S.L.E. Limited

Cash Flow Statement For the year ended 31 July 2007

	2007	2006
£	£	£
Net cash inflow from operating activities	227,426	450,085
Returns on investments and servicing of finance		
Interest received	44,853	27,993
Interest paid	(201,665)	(177,245)
Net cash outflow for returns on investments and servicing of finance	(156,812)	(149,252)
Taxation	(311)	-
Capital expenditure and financial investment		
Payments to acquire tangible assets	(58,469)	(203,696)
Receipts from sales of tangible assets	-	68,760
Receipts from sales of current asset investments	375,000	-
Receipts from sales of investments	-	617
Net cash inflow/(outflow) for capital expenditure	316,531	(134,319)
Net cash inflow before management of liquid resources and financing	426,831	166,514
Financing		
Repayment of long term bank loan	(111,873)	(22,652)
Repayment of other long term loans	-	(16,136)
Net cash outflow from financing	(111,873)	(38,788)
Increase in cash in the year	314,958	127,726

S.L.E. Limited

Notes to the Cash Flow Statement For the year ended 31 July 2007

1 Reconciliation of operating profit to net cash inflow from operating activities	2007	2006
	£	£
Operating profit	570,206	225,564
Depreciation of tangible assets	163,976	57,784
Loss on disposal of tangible assets	58,820	386
(Increase)/decrease in stocks	(676,098)	69,250
Increase in debtors	(183,164)	(347,281)
Increase in creditors within one year	293,686	444,382
Net cash inflow from operating activities	227,426	450,085

2 Analysis of net debt	1 August 2006	Cash flow	Other non-cash changes	31 July 2007
	£	£	£	£
Net cash				
Cash at bank and in hand	119,289	1,473,516	-	1,592,805
Bank overdrafts	(579,433)	(1,158,558)	-	(1,737,991)
	(460,144)	314,958	-	(145,186)
Debt				
Debts falling due within one year	(20,397)	20,397	-	-
Debts falling due after one year	(632,477)	91,477	-	(541,000)
Net debt	(1,113,018)	357,832	-	(686,186)

3 Reconciliation of net cash flow to movement in net debt	2007	2006
	£	£
Increase in cash in the year	314,958	127,726
Cash outflow from decrease in debt	111,874	38,788
Movement in net debt in the year	357,832	166,514
Opening net debt	(1,113,018)	(1,279,532)
Closing net debt	(686,186)	(1,113,018)

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Notes to the Abbreviated Accounts For the year ended 31 July 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services provided net of value added tax

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can be foreseen with reasonable assurance. Any expenditure carried forward is amortised in line with the sales from the related project.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Motor vehicles	25% straight line
Demo equipment	over 4 years with no depreciation in the first year, 30% in the second, 30% in the third and 40% being charged in the final year

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at cost.

1.8 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate a proportion of manufacturing overheads.

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Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

1 Accounting policies (continued)

19 Pensions

The company operates a defined contribution scheme on behalf of the Company's employees, which is funded by contributions partly from the employees and partly from the Company at rates determined by the Company. Such contributions are held in Trustee Administered Funds completely independent of the Company's finances.

In addition the Company makes contributions to the SLE No 3 Retirement Benefits Scheme, a defined contribution scheme, on behalf of the Officers and Directors of the Company.

The pension costs represents contributions payable to the scheme.

110 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the Balance Sheet date.

111 Foreign currency translation

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

2	Operating profit	2007 £	2006 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	163,976	57,784
	Loss on disposal of tangible assets	58,820	386
	Loss on foreign exchange transactions	191,036	140,305
	Operating lease rentals		
	- Plant and machinery	8,333	11,552
	- Other assets	176,647	153,545
	Auditors' remuneration	10,250	9,750
		<hr/>	<hr/>
3	Interest receivable and similar income	2007 £	2006 £
	Bank interest	44,853	27,993
		<hr/>	<hr/>
4	Interest payable and similar charges	2007 £	2006 £
	On bank loans and overdrafts	156,787	136,777
	On overdue tax	5,471	-
	Other interest	39,407	40,468
		<hr/>	<hr/>
		201,665	177,245
		<hr/>	<hr/>

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Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

5 Taxation	2007	2006
	£	£
Domestic current year tax		
U K corporation tax	185,635	312
Adjustment for prior years	26,746	-
	<hr/>	<hr/>
Current tax charge	212,381	312
 Deferred tax		
Deferred tax (credit)/charge current year	(16,948)	27,064
	<hr/>	<hr/>
	195,433	27,376
	<hr/>	<hr/>
 Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	453,391	120,098
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 Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 - 19.00%)	136,017	22,819
	<hr/>	<hr/>
Effects of		
Non deductible expenses	25,598	(8,491)
Depreciation add back	49,193	10,979
Capital allowances	10,261	(28,925)
Adjustments to previous periods	26,746	-
Chargeable disposals	-	6,396
Marginal rate relief	(21,579)	-
Other tax adjustments	(13,855)	(2,466)
	<hr/>	<hr/>
	76,364	(22,507)
	<hr/>	<hr/>
Current tax charge	212,381	312
	<hr/>	<hr/>

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Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

6 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 August 2006	748,593	273,855	1,006,967	10,115	2,039,530
Additions	-	-	58,469	-	58,469
At 31 July 2007	748,593	273,855	1,065,436	10,115	2,097,999
Depreciation					
At 1 August 2006	169,793	230,765	693,413	2,919	1,096,890
Charge for the year	9,633	9,287	142,527	2,529	163,976
At 31 July 2007	179,426	240,052	835,940	5,448	1,260,866
Net book value					
At 31 July 2007	569,167	33,803	229,496	4,667	837,133
At 31 July 2006	578,800	43,090	313,554	7,196	942,640

Included within land and buildings is land with a cost of £78,853 (2006 £78,853)

The freehold and leasehold land and buildings were valued on an open market basis by Stuart Edwards Fullermoon, a firm of independent Chartered Surveyors, on 12 August 2003. The Directors have not updated the value at the year end, because they are not aware of any material change in value.

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

Comparable historical cost for the land and buildings included at valuation

	£
Cost	
At 1 August 2006 & at 31 July 2007	622,361
Depreciation based on cost	
At 1 August 2006	174,979
Charge for the year	7,530
At 31 July 2007	182,509
Net book value	
At 31 July 2007	439,852
At 31 July 2006	365,924

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Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

7 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 August 2006 & at 31 July 2007	220
Net book value	
At 1 August 2006 & at 31 July 2007	220
	Directors' valuation £
At 1 August 2006 & at 31 July 2007	220

8 Stocks and work in progress

	2007 £	2006 £
Raw materials and consumables	931,468	870,617
Work in progress	738,832	216,310
Finished goods and goods for resale	607,113	514,388
	<u>2,277,413</u>	<u>1,601,315</u>

9 Debtors

	2007 £	2006 £
Trade debtors	1,599,987	1,530,927
Other debtors	294,995	182,413
Prepayments and accrued income	66,151	64,629
	<u>1,961,133</u>	<u>1,777,969</u>

S.L.E. Limited

Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

10 Current asset investments	2007	2006
	£	£
Property held as a current asset	-	433,821

11 Creditors amounts falling due within one year	2007	2006
	£	£
Bank loans and overdrafts	1,737,991	599,830
Trade creditors	1,297,496	886,154
Corporation tax	212,382	312
Other taxes and social security costs	120,614	63,357
Other creditors	87,235	355,925
Accruals and deferred income	191,234	97,457
	<u>3,646,952</u>	<u>2,003,035</u>

The bank loans and overdrafts due within one year and due after more than one year are secured by a legal charge and a Mortgage Debenture over the freehold property 232 Selsdon Road, Croydon

12 Creditors amounts falling due after more than one year	2007	2006
	£	£
Bank loans	-	91,477
Other loans	541,000	541,000
	<u>541,000</u>	<u>632,477</u>

Amounts repayable by instalments

In more than one year but not more than two years	-	20,396
In more than two years but not more than five years	-	71,080
In more than five years	541,000	541,000

The company has long term loans from family members which are repayable in 2019 and carry interest at 2.5% above base rate

S.L.E. Limited

Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

13 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 August 2006	100,927
Profit and loss account	(16,948)
	<hr/>
Balance at 31 July 2007	83,979
	<hr/> <hr/>

The deferred tax liability is made up as follows

	2007 £	2006 £
Accelerated capital allowances	83,979	100,927
	<hr/> <hr/>	<hr/> <hr/>

14 Pension costs

At the year end the company had prepaid £207 in respect of pension contributions (2006 accrued £9,061)

Defined contribution

	2007 £	2006 £
Contributions payable by the company for the year	96,217	80,766
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15 Share capital

	2007 £	2006 £
Authorised		
250,000 Ordinary Shares of £1 each	250,000	250,000
	<hr/> <hr/>	<hr/> <hr/>
Allotted, called up and fully paid		
25,000 Ordinary Shares of £1 each	25,000	25,000
	<hr/> <hr/>	<hr/> <hr/>

S.L.E. Limited

Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

16 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 August 2006	126,232	1,987,583
Profit for the year	-	257,958
Transfer from revaluation reserve to profit and loss account	(2,525)	2,525
Balance at 31 July 2007	123,707	2,248,066

17 Reconciliation of movements in shareholders' funds

	2007	2006
	£	£
Profit for the financial year	257,958	92,722
Other recognised gains and losses	-	154,115
Net addition to shareholders' funds	257,958	246,837
Opening shareholders' funds	2,138,815	1,891,978
Closing shareholders' funds	2,396,773	2,138,815

18 Financial commitments

At 31 July 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2008

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
Operating leases which expire				
Within one year	-	-	1,978	20,467
Between two and five years	-	63,000	84,153	40,217
In over five years	103,000	8,000	-	-
	103,000	71,000	86,131	60,684

S.L.E. Limited

Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

19 Directors' emoluments	2007	2006
	£	£
Emoluments for qualifying services	269,623	305,110
Company pension contributions to money purchase schemes	42,944	16,068
	<u>312,567</u>	<u>321,178</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2006 - 3)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	72,321	107,805
Company pension contributions to money purchase schemes	<u>32,504</u>	<u>12,345</u>

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007	2006
	Number	Number
Administration	19	17
Production	43	46
Selling and Distribution	9	10
	<u>71</u>	<u>73</u>

Employment costs	2007	2006
	£	£
Wages and salaries	1,717,142	2,094,989
Social security costs	203,550	255,924
Other pension costs	96,217	80,766
	<u>2,016,909</u>	<u>2,431,679</u>

21 Ultimate parent company

The Company is controlled by the Nelligan family by virtue of their interests in the issued share capital

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Notes to the Abbreviated Accounts (continued) For the year ended 31 July 2007

22 Related party transactions

Mr B J Nelligan, a director of the Company, and Mrs S Nelligan, the Company Secretary, are trustees and beneficiaries of the S L E No 3 Retirement Benefits Scheme. During the year a property was sold at open market value to the Scheme. This totalled £375,000 and resulted in a loss of £58,820 for the company. In addition, the Scheme charged the Company rent, at open market value, amounting to £97,880 (2006 - £71,000). At the year end the company owed S L E No 3 Retirement Benefits Scheme £nil (2006 - £135,456).

Loans from directors, their close family and family controlled trusts amounted to £541,000 at 31 July 2007 (2006 - £541,000). Under the commercial terms of the loan agreements, interest of £39,407 (2006 - £40,468) was charged during the year.