

**SUNRISE MEDICAL HOLDINGS LIMITED**

**Annual Report and Financial Statements**

**30 June 2014**



# **SUNRISE MEDICAL HOLDINGS LIMITED**

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# **SUNRISE MEDICAL HOLDINGS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

P Riley  
E O'Brien  
T J Rossnagel  
R F Smith

### **COMPANY SECRETARY**

P Riley

### **REGISTERED OFFICE**

Thorns Road  
Brierley Hill  
West Midlands  
DY5 2LD

### **AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Birmingham, United Kingdom

# SUNRISE MEDICAL HOLDINGS LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2014.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is acting as an investment and management services company. Future developments are likely to be in similar fields.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The results for the year are as follows:

	2013	2012
	£'000	£'000
Loss on ordinary activities after taxation	(79)	(273)

### LIQUIDITY AND GOING CONCERN

The company's activities are described above. The directors believe the company is structured to successfully manage and control the business risks it faces as an integral part of the broader Sunrise Medical group, despite the current economic uncertainty. Should it be required, the company will receive the support of fellow group companies in managing future cash flows, although such support is not confirmed as being legally binding. On this basis the directors have a reasonable expectation that the company can continue in operational existence for the foreseeable future and they can therefore continue to adopt the going concern basis in preparing the annual report and accounts.

### DIVIDEND

During the year, the directors recommended the payment of a dividend of £nil (2013: £nil).

### AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

### REAPPOINTMENT OF AUDITOR

Deloitte LLP has expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



P Riley  
Secretary

1 December 2014

## **SUNRISE MEDICAL HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 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 judgments 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNRISE MEDICAL HOLDINGS LIMITED**

We have audited the financial statements of Sunrise Medical Holdings Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 18. 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2014 and of its loss 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 Directors' Report 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; or
- the directors were not entitled to take advantage of the small companies' exemption from preparing a Strategic Report or in preparing the Directors' Report.



Peter Gallimore FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Birmingham, United Kingdom

1/12/14

# SUNRISE MEDICAL HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 30 June 2014

	Note	2014 £ 000	2013 £ 000
Administrative costs	5	(160)	(22)
<b>OPERATING LOSS</b>	4	(160)	(22)
Interest receivable and similar income	6	378	376
Interest payable and similar charges	6	(300)	(693)
<b>(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(82)	(339)
Tax on (loss) on ordinary activities	7	3	66
<b>(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>	14	(79)	(273)

All results derive from continuing operations. There are no recognised gains and losses other than the result for the financial years. Accordingly, no statement of total recognised gains and losses is given.



# SUNRISE MEDICAL HOLDINGS LIMITED

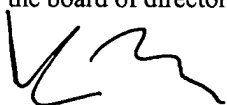
## BALANCE SHEET

30 June 2014

	Note	£ 000	2014 £ 000	£ 000	2013 £ 000
<b>FIXED ASSETS</b>					
Investments	8		30,354		26,762
<b>CURRENT ASSETS</b>					
Debtors	9	5,283		8,947	
<b>CREDITORS: amounts falling due within one year</b>	11	(16)		(309)	
<b>NET CURRENT ASSETS</b>			<u>5,267</u>		<u>8,638</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			35,621		35,400
<b>CREDITORS: amounts falling due after more than one year</b>	12		(5,092)		(4,792)
<b>NET ASSETS</b>			<u><u>30,529</u></u>		<u><u>30,608</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		30,231		30,231
Profit and loss account	14		298		377
<b>EQUITY SHAREHOLDERS' FUNDS</b>	15		<u><u>30,529</u></u>		<u><u>30,608</u></u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements of Sunrise Medical Holdings Limited (Registration Number: 4651691) were approved by the board of directors and authorised for issue on 1 December 2014. They were signed by:



**P Riley**

Director

# SUNRISE MEDICAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 June 2014

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and have been applied consistently throughout the year and the preceding year. The particular accounting policies adopted by the directors are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

At the balance sheet date, the company was a wholly owned subsidiary of Apollo Bidco Sàrl and is included in that company's consolidated financial statements.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by the Urgent Issues Task Force (UITF) abstract No. 43 "The interpretation of equivalence for the purposes of section 401 of the Companies Act 2006" because it is a wholly owned subsidiary of Apollo Bidco S.à.r.l which prepared publicly available consolidated financial statements that incorporate the results of the company and are drawn up in accordance with the Seventh Directive.

#### Cash flow statement

The Company has taken advantage of the exemption granted by Financial Reporting Standard 1 - 'Cash Flow Statements' and does not therefore provide a cash flow statement as it was a wholly owned subsidiary of Apollo Bidco S.à.r.l at the balance sheet date, the accounts of which are publicly available.

#### Liquidity and going concern

The company's activities are described in the directors' report. The directors believe the company is structured to successfully manage and control the business risks it faces as an integral part of the broader Sunrise Medical group, despite the current economic uncertainty. Should it be required, the company will receive the support of fellow group companies in managing future cash flows, although such support is not confirmed as being legally binding. On this basis the directors have a reasonable expectation that the company can continue in operational existence for the foreseeable future and they can therefore continue to adopt the going concern basis in preparing the annual report and accounts.

#### Investments

Fixed asset investments are recorded at cost less provision for impairment.

#### Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax is not provided on timing differences from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions, or where there are forward currency contracts, at the contracted rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date, or the forward currency contracted rate, whichever is applicable. These translation differences are dealt with in the profit and loss account.

## SUNRISE MEDICAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 30 June 2014

#### 2. DIRECTORS' EMOLUMENTS

Mr T Rossnagel and Mr R Smith are overseas directors and it is not practicable to apportion their remuneration between the companies of which they are directors.

Mr E O'Brien and Mr P Riley were employees of Sunrise Medical Ltd and their remuneration costs were borne by that company. It is not practicable to apportion their remuneration between the companies.

#### 3. INFORMATION REGARDING EMPLOYEES

No staff have been employed in the year by the company (2013: Nil).

#### 4. OPERATING LOSS

The operating loss of £159,861 (2013: £21,784) includes audit fees of £nil (2013: £5,000). However, audit fees of £5,000 (2013: £nil) were incurred and borne by Sunrise Medical Limited without being recharged.

#### 5. ADMINISTRATIVE COSTS

	2014 £ 000	2013 £ 000
Professional fees	13	21
Acquisition of subsidiary	146	
Impairment of investment	-	1
	<u>159</u>	<u>22</u>

#### 6. INTEREST

	2014 £ 000	2013 £ 000
<b>Interest payable and similar charges</b>		
Interest on loans from group undertakings	<u>300</u>	<u>693</u>
	<u>300</u>	<u>693</u>
<b>Interest receivable and similar income</b>		
Interest on loans to group undertakings	<u>378</u>	<u>376</u>
	<u>378</u>	<u>376</u>

# SUNRISE MEDICAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 30 June 2014

### 7. TAX ON LOSS ON ORDINARY ACTIVITIES

	2014 £ 000	2013 £ 000
<b>Current tax</b>		
United Kingdom corporation tax at 22.5% (2013: 23.25%)	-	-
Group Relief :		
Current year	-	(66)
Prior year adjustment	(3)	-
<b>Total current tax</b>	(3)	(66)
<b>Deferred taxation</b>		
Current year	-	-
<b>Tax (credit) on loss on ordinary activities</b>	(3)	(66)

#### Factors affecting tax credit in year

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 22.5% (2013: 23.25%). The actual tax charge for the current and the previous periods differs from the standard rate for the reasons set out in the following reconciliation:

	2014 £ 000	2013 £ 000
(Loss) on ordinary activities before taxation	(82)	(338)
Tax on (loss) on ordinary activities at standard rate	(18)	(79)
Effects of:		
Disallowed expenses and non-taxable income	3	5
Group relief surrendered for no payment	-	8
Utilisation of losses previously not recognised	(18)	-
Prior year adjustment	(3)	-
<b>Current tax (credit)</b>	(3)	(66)

Finance Act 2013 has lowered the rate of UK Corporation Tax from 23% to 21%, effective on 1 April 2014.

A further reduction in the main rate of corporation tax to 20% will also come into effect from 1 April 2015. Both of these rate reductions were substantively enacted on 17 July 2013.

Current tax is therefore provided at a blended rate of 22.5% and deferred tax at 20%. For future periods a rate of 20% will be utilised for both current tax and deferred tax, subject to any further legislative changes enacted by the UK Parliament.

# SUNRISE MEDICAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 30 June 2014

### 8. FIXED ASSET INVESTMENTS

The company had the following investments at 30 June 2014:

Name of subsidiary undertaking	Class of shares held	Proportion held	Nature of business
Sunrise Medical Limited *	Ordinary	100%	Manufacture and sale of healthcare products
JCM Seating Solutions Limited *	Ordinary	100%	Manufacture and sale of healthcare products
Lomax Mobility Limited	Ordinary	100%	Dormant
Sunrise Medical Poland Sp Zoo *	Ordinary	100%	Sale of healthcare products
Sunrise Medical (China) No 1 Limited *	Ordinary	100%	Holding company
Medicco sro *	Ordinary	15%	Sale of healthcare products
Sunrise Medical Equipment (Shanghai) Co Ltd	Ordinary	100%	Sale of healthcare products
Xiamen Lomax Industrial Co Ltd	Ordinary	80%	Manufacture of healthcare products

\* Direct subsidiary of Sunrise Medical Holdings Limited

Sunrise Medical Limited, JCM Seating Solutions Limited and Sunrise Medical (China) No 1 Limited are incorporated in Great Britain and registered in England and Wales. Lomax Mobility Limited is incorporated and registered in Scotland. Xiamen Lomax Industrial Co Ltd and Sunrise Medical Equipment (Shanghai) Limited are incorporated and registered in China. Sunrise Medical Poland Sp Zoo is incorporated and registered in Poland. Medicco srl is incorporated and registered in the Czech Republic.

Summary information on investments in subsidiary undertakings is as follows:

	Shares in subsidiary undertakings £ 000
<b>Cost</b>	
At 30 June 2013	40,612
Investment in the year	3,592
At 30 June 2014	44,204
<b>Provisions</b>	
At 30 June 2013	13,850
At 30 June 2014	13,850
<b>Net Book Value</b>	
At 30 June 2013	26,762
At 30 June 2014	30,354

# SUNRISE MEDICAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 30 June 2014

### 9. DEBTORS

	2014 £ 000	2013 £ 000
Amounts owed by group undertakings & fellow group subsidiaries	5,283	8,947
	<u>5,283</u>	<u>8,947</u>

### 10. DEFERRED TAXATION

A deferred tax asset of £126,000 (2013: £149,000) in respect of losses carried forward has not been recognised, as there is no certainty that the asset will reverse in the foreseeable future.

### 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £ 000	2013 £ 000
Amount owed to group undertakings & fellow group subsidiaries	1	304
Accruals	15	5
	<u>16</u>	<u>309</u>

Amounts owed to group undertakings are denominated in Sterling.

### 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014 £ 000	2013 £ 000
Amount owed to group undertakings	5,092	4,792
	<u>5,092</u>	<u>4,792</u>

Amounts owed to group undertakings relate to a single loan denominated in Sterling at £4,634,942 and accrued interest of £457,511. The interest rate is 6.48% and the loan is repayable on 30 June 2017, therefore the full amount is due to be paid within five years.

# SUNRISE MEDICAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 30 June 2014

### 13. CALLED UP SHARE CAPITAL

	2014 £ 000	2013 £ 000
<b>Authorised</b>		
50,000,000 Ordinary shares of £1 each	50,000	50,000
<b>Called up, allotted and fully paid</b>		
30,231,184 Ordinary shares of £1 each (2013: 30,231,184)	30,231	30,231

### 14. PROFIT AND LOSS ACCOUNT

	£ 000
Retained profit brought forward	377
Loss for the financial year	(79)
<b>Retained surplus carried forward</b>	<b>298</b>

### 15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £ 000	2013 £ 000
(Loss) for the financial year	(79)	(273)
Issuance of new capital	-	21,946
Net addition/(reduction in) to shareholders' funds	(79)	21,673
Opening shareholders' funds	30,608	8,935
Closing shareholders' funds	30,529	30,608

### 16. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption available under FRS 8 to dispense with the requirement to disclose transactions with fellow wholly-owned members of a group which produces consolidated financial statements that are publicly available. There were no transactions with Xiamen Lomax Industrial Co Ltd (an 80% holding).

### 17. ULTIMATE PARENT COMPANY

At the balance sheet date, the company's immediate and ultimate parent company, and controlling party was Apollo Bidco S.à r.l., a company incorporated in Luxembourg. The parent company of the smallest group to consolidate financial statement was Apollo Bidco S.à r.l. Copies of these financial statements may be obtained from Sunrise Medical Limited, Thorns Road, Brierley Hill, West Midlands DY5 2LD

### 18. CONTINGENT LIABILITIES

The company together with certain other United Kingdom companies has entered into cross guarantees with Commerzbank and Deutsche Bank in respect of the borrowings of the group companies concerned at the year end.