

COMPANY REGISTRATION NUMBER: 01367328

**Comtrex Systems Corporation Limited**  
**Financial Statements**  
**31 March 2016**



# **Comtrex Systems Corporation Limited**

## **Financial Statements**

**Year ended 31 March 2016**

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# **Comtrex Systems Corporation Limited**

## **Officers and Professional Advisers**

### **The board of directors**

S Roberts  
J Rice

### **Company secretary**

Mrs S J Roberts

### **Registered office**

2 Gatwick Metro Centre  
Balcombe Road  
Horley  
Surrey  
RH6 9GA

### **Auditor**

Shipleys LLP  
Chartered accountant & statutory auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

# **Comtrex Systems Corporation Limited**

## **Directors Report**

**Year ended 31 March 2016**

The directors present their report and the financial statements of the company for the year ended 31 March 2016.

### **Directors**

The directors who served the company during the year were as follows:

S Roberts  
J Rice

### **Directors responsibilities statement**

The directors are responsible for preparing the directors 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 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;
- 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.

### **Auditor**

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Small company provisions**

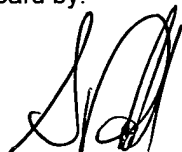
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# **Comtrex Systems Corporation Limited**

## **Directors Report** *(continued)*

**Year ended 31 March 2016**

This report was approved by the board of directors on ~~24 AUGUST 2016~~ and signed on behalf of the board by:



S Roberts  
Director

Registered office:  
2 Gatwick Metro Centre  
Balcombe Road  
Horley  
Surrey  
RH6 9GA

# **Comtrex Systems Corporation Limited**

## **Independent Auditor's Report to the Shareholders of Comtrex Systems Corporation Limited**

**Year ended 31 March 2016**

We have audited the financial statements of Comtrex Systems Corporation Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. 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), FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 directors 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 31 March 2016 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 directors report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Comtrex Systems Corporation Limited**

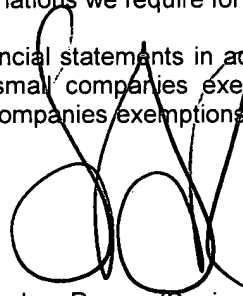
## **Independent Auditor's Report to the Shareholders of Comtrex Systems Corporation Limited (continued)**

**Year ended 31 March 2016**

### **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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.



Stephen Ryman (Senior Statutory Auditor)

For and on behalf of  
Shipleys LLP  
Chartered accountant & statutory auditor

10 Orange Street  
Haymarket  
London  
WC2H 7DQ

24 AUGUST 2016

# Comtrex Systems Corporation Limited

## Statement of Comprehensive Income

Year ended 31 March 2016

	Note	2016 £	2015 £
<b>Turnover</b>	<b>4</b>	<b>6,766,420</b>	<b>5,383,858</b>
<b>Cost of sales</b>		<b>(1,845,141)</b>	<b>(1,576,116)</b>
<b>Gross profit</b>		<b>4,921,279</b>	<b>3,807,742</b>
Distribution costs		(3,023,864)	(2,469,393)
Administrative expenses		(808,119)	(704,838)
<b>Operating profit</b>	<b>5</b>	<b>1,089,296</b>	<b>633,511</b>
Other interest receivable and similar income	<b>9</b>	<b>4,654</b>	<b>4,008</b>
Interest payable and similar charges	<b>10</b>	<b>(3,926)</b>	<b>(7,666)</b>
<b>Profit on ordinary activities before taxation</b>		<b>1,090,024</b>	<b>629,853</b>
Tax on profit on ordinary activities	<b>11</b>	<b>(37,285)</b>	<b>(15,615)</b>
<b>Profit for the financial year and total comprehensive income</b>		<b>1,052,739</b>	<b>614,238</b>

All the activities of the company are from continuing operations.

The notes on pages 9 to 21 form part of these financial statements.



# Comtrex Systems Corporation Limited

## Statement of Financial Position

31 March 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Intangible assets	12	397,956	573,113
Tangible assets	13	958,234	965,918
Investments	14	200	200
		<u>1,356,390</u>	<u>1,539,231</u>
<b>Current assets</b>			
Stocks		159,301	139,766
Debtors	15	1,322,424	1,014,668
Cash at bank and in hand		2,412,490	1,733,739
		<u>3,894,215</u>	<u>2,888,173</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(947,663)</u>	<u>(864,748)</u>
<b>Net current assets</b>		<u>2,946,552</u>	<u>2,023,425</u>
<b>Total assets less current liabilities</b>		<u>4,302,942</u>	<u>3,562,656</u>
<b>Creditors: amounts falling due after more than one year</b>	17	–	(320,017)
<b>Provisions</b>			
Taxation including deferred tax	19	(47,465)	(39,901)
<b>Net assets</b>		<u>4,255,477</u>	<u>3,202,738</u>
<b>Capital and reserves</b>			
Called up share capital	22	6,000	6,000
Profit and loss account	23	4,249,477	3,196,738
<b>Shareholders funds</b>		<u>4,255,477</u>	<u>3,202,738</u>

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

These financial statements were approved by the board of directors and authorised for issue on ~~24 AUGUST 2016~~ and are signed on behalf of the board by:



S Roberts  
Director

Company registration number: 01367328

The notes on pages 9 to 21 form part of these financial statements.

# **Comtrex Systems Corporation Limited**

## **Statement of Changes in Equity**

**Year ended 31 March 2016**

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 April 2014</b>	6,000	2,582,500	2,588,500
Profit for the year		614,238	614,238
<b>Total comprehensive income for the year</b>	—	614,238	614,238
<b>At 31 March 2015</b>	6,000	3,196,738	3,202,738
Profit for the year		1,052,739	1,052,739
<b>Total comprehensive income for the year</b>	—	1,052,739	1,052,739
<b>At 31 March 2016</b>	<u>6,000</u>	<u>4,249,477</u>	<u>4,255,477</u>

The notes on pages 9 to 21 form part of these financial statements.

# **Comtrex Systems Corporation Limited**

## **Notes to the Financial Statements**

**Year ended 31 March 2016**

### **1. Statement of compliance**

The financial statements have been prepared in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

### **2. General information**

Comtrex Systems Corporation Limited is a limited company incorporated in the United Kingdom under the Companies Act. The address of the registered office is 2 Gatwick Metro Centre, Balcombe Road, Horley, Surrey, RH6 9GA.

The principal activity of the company during the year was supplying point of sale equipment and related stationery.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The directors have opted to adopt early the qualifying conditions for a small company as introduced by Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015.

#### **Going concern**

The financial statements have been prepared using the going concern basis of accounting.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 26.

#### **Consolidation**

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

# **Comtrex Systems Corporation Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

### **3. Accounting policies *(continued)***

#### **Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

#### *Stock provision*

Provision is made for obsolete or defective items where appropriate during the year end stock takes. A further provision is then applied to write stock down to the estimated net realisable value.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 3. Accounting policies *(continued)*

#### Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	Straight line over 10 years
Mission Licences	-	Straight line over 3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	straight line over 50 years
Plant & Machinery	-	25% reducing balance
Fixtures & Fittings	-	15-33% straight line
Motor vehicles	-	33% reducing balance
Hire Agreements	-	straight line over the life of the agreement

# **Comtrex Systems Corporation Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

### **3. Accounting policies *(continued)***

#### **Depreciation *(continued)***

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

#### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 3. Accounting policies *(continued)*

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

#### *Interest bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the statement of comprehensive income over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

#### *Trade and other debtors*

Trade and other debtors are initially recorded at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts expect where the effect of discounting would be immaterial. In such cases, receivables and stated at cost less impairment losses for bad and doubtful debts.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

#### *Trade and other creditors*

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 4. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	2,352,413	2,138,537
Rendering of services	4,397,005	3,243,932
Commissions	17,002	1,389
	<u>6,766,420</u>	<u>5,383,858</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	175,157	85,075
Depreciation of tangible assets	235,226	188,026
Loss on disposal of tangible assets	1,386	24,079
Foreign exchange differences	3,204	10,291
Defined contribution plans expense	51,977	44,841
Cost of stock recognised as an expense	<u>1,757,052</u>	<u>1,504,582</u>

Amortisation of intangible assets is included in administration expenses.

### 6. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>10,000</u>	<u>10,000</u>

### 7. Employees

The average number of persons employed by the company (including directors) during the year was 68 (2015: 55).

### 8. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	183,250	194,550
Company contributions to defined contribution pension plans	<u>18,000</u>	<u>18,000</u>
	<u>201,250</u>	<u>212,550</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No	No
Defined contribution plans	<u>1</u>	<u>1</u>



# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 9. Other interest receivable and similar income

	2016	2015
	£	£
Interest on cash and cash equivalents	4,654	3,227
Interest from group undertakings	—	781
	<u>4,654</u>	<u>4,008</u>

### 10. Interest payable and similar charges

	2016	2015
	£	£
Interest on banks loans and overdrafts	3,926	5,056
Interest on obligations under finance leases and hire purchase contracts	—	2,610
	<u>3,926</u>	<u>7,666</u>

### 11. Tax on profit on ordinary activities

#### Major components of tax expense

	2016	2015
	£	£
<b>Current tax:</b>		
UK current tax expense/(income)	29,721	(15,300)
<b>Deferred tax:</b>		
Origination and reversal of timing differences	7,564	30,915
<b>Tax on profit on ordinary activities</b>	<u>37,285</u>	<u>15,615</u>

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 14.50%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	1,090,024	629,853
Profit on ordinary activities by rate of tax	218,005	91,329
Effect of expenses not deductible for tax purposes	5,848	2,673
Effect of capital allowances and depreciation	29,701	12,167
Utilisation of tax losses	(38,064)	—
Other differences	(178,205)	(90,554)
<b>Tax on profit on ordinary activities</b>	<u>37,285</u>	<u>15,615</u>

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 12. Intangible assets

	Goodwill £	Software licence £	Total £
<b>Cost</b>			
At 1 Apr 2015 and 31 Mar 2016	<u>412,333</u>	<u>798,352</u>	<u>1,210,685</u>
<b>Amortisation</b>			
At 1 April 2015	196,350	441,222	637,572
Charge for the year	<u>41,233</u>	<u>133,924</u>	<u>175,157</u>
At 31 March 2016	<u>237,583</u>	<u>575,146</u>	<u>812,729</u>
<b>Carrying amount</b>			
At 31 March 2016	<u>174,750</u>	<u>223,206</u>	<u>397,956</u>
At 31 March 2015	<u>215,983</u>	<u>357,130</u>	<u>573,113</u>

Goodwill represents the difference between the cost of acquiring the business and assets of Redpepper Solutions Limited in 2010 and its net assets at the date of acquisition. Goodwill arising on acquisition amounted to £224,056. In addition, goodwill has since increased by the payment of further deferred contingent consideration amounts of £188,277 due under the agreement for the acquisition of Redpepper Solutions Limited on 1 July 2008. The carrying amount as at 31 March 2016 was £174,750 (2015: £215,983) and the goodwill has an estimated remaining life of 4 years.

Software license of £400,972 relate to software licences acquired upon the acquisition of the business and assets of Mission Integrated Systems Limited in 2014. The carrying amount as at 31 March 2016 was £223,206 (2015: £357,130) and the goodwill has an estimated remaining life of 2 years.

Amortisation cost for the year and prior year are included in administrative expenses.

### 13. Tangible assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Rental Equipment £	Total £
<b>Cost</b>						
At 1 Apr 2015	728,997	7,550	472,368	278,725	278,588	1,766,228
Additions	—	—	16,600	19,993	198,577	235,170
Disposals	—	—	(97,967)	(33,359)	(17,662)	(148,988)
At 31 Mar 2016	<u>728,997</u>	<u>7,550</u>	<u>391,001</u>	<u>265,359</u>	<u>459,503</u>	<u>1,852,410</u>
<b>Depreciation</b>						
At 1 Apr 2015	168,563	3,538	376,351	119,800	132,058	800,310
Charge for the year	14,580	1,888	53,528	57,606	107,624	235,226
Disposals	—	—	(97,109)	(29,508)	(14,743)	(141,360)
At 31 Mar 2016	<u>183,143</u>	<u>5,426</u>	<u>332,770</u>	<u>147,898</u>	<u>224,939</u>	<u>894,176</u>
<b>Carrying amount</b>						
At 31 Mar 2016	<u>545,854</u>	<u>2,124</u>	<u>58,231</u>	<u>117,461</u>	<u>234,564</u>	<u>958,234</u>
At 31 Mar 2015	<u>560,434</u>	<u>4,012</u>	<u>96,017</u>	<u>158,925</u>	<u>146,530</u>	<u>965,918</u>

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 13. Tangible assets *(continued)*

#### Operating lease agreements

Included within the net book value of £958,234 is £234,564 (2015 - £146,530) relating to assets leased to customers. The depreciation charge to the financial statements in the year in respect of such assets amounted to £107,624 (2015 - £78,910).

### 14. Investments

	Shares in group undertaking s £
<b>Cost</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>200</u>
<b>Impairment</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>-</u>
<b>Carrying amount</b>	
At 31 March 2016	<u>200</u>

#### Subsidiaries

	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>		
Redpepper Solutions Limited	Ordinary	100
Mission Integrated Systems Limited	Ordinary	100

The results and capital and reserves for the year are as follows:

	<b>Capital and reserves</b>		<b>Profit/(loss) for the year</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	£	£	£	£
<b>Subsidiary undertakings</b>				
Redpepper Solutions Limited	100	100	-	-
Mission Integrated Systems Limited	<u>100</u>	<u>100</u>	<u>-</u>	<u>-</u>

The above companies were incorporated in England and were dormant during the year.

### 15. Debtors

	<b>2016</b>	<b>2015</b>
	£	£
Trade debtors	1,205,460	874,057
Corporation tax repayable	-	8,902
Other debtors	<u>116,964</u>	<u>131,709</u>
	<u>1,322,424</u>	<u>1,014,668</u>

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 16. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans	–	46,804
Trade creditors	289,397	269,550
Amounts owed to group undertakings and undertakings in which the company has a participating interest	200	200
Corporation tax	29,724	–
Social security and other taxes	328,046	264,647
Other creditors	300,296	283,547
	<u>947,663</u>	<u>864,748</u>

As security for bank loans, the Company's bankers held a legal charge over the freehold properties and a debenture giving a fixed and floating charge over the assets of the Company.

### 17. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans	–	182,517
Other creditors	–	137,500
	<u>–</u>	<u>320,017</u>

The bank loan was repayable over 15 years in instalments to March 2021 with interest payable fixed at 1.5% above base rate. The loan was repaid early in full during the year.

As security for bank loans, the Company's bankers held a legal charge over the freehold properties and a debenture giving a fixed and floating charge over the assets of the Company.

Bank loan maturity analysis:

	2016 £	2015 £
In less than one year	–	46,804
In more than one year but not more than two years	–	47,740
In more than two years but not more than five years	–	134,777
	<u>–</u>	<u>229,321</u>

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 19)	<u>47,465</u>	<u>39,901</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	<u>47,465</u>	<u>39,901</u>

### 19. Provisions

	Deferred tax (note 18)
	£
At 1 April 2015	39,901
Charge against provision	<u>7,564</u>
At 31 March 2016	<u>47,465</u>

### 20. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £51,977 (2015: £44,841).

### 21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016	2015
	£	£
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>3,617,950</u>	<u>2,607,796</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(289,397)</u>	<u>(498,871)</u>

# Comtrex Systems Corporation Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 21. Financial instruments *(continued)*

Financial instruments that are debt instruments measured at amortised cost:

	2016	2015
	£	£
Cash at bank and in hand	2,412,490	1,733,739
Trade debtors	1,205,460	874,057
	<u>3,617,950</u>	<u>2,607,796</u>

Financial liabilities measured at amortised cost:

	2016	2015
	£	£
Bank loans	–	229,321
Trade creditors	289,397	269,550
	<u>289,397</u>	<u>498,871</u>

### 22. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares of £1 each	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

### 23. Reserves

The profit and loss reserve includes all current and prior retained period profits and losses.

### 24. Related party transactions

During the year under review, the company purchased goods and services from its parent company, at open market value of £385,555 (2015: £557,633). An amount of £nil (2015: £nil) was due from the parent company at the balance sheet date. Interest on this balance amounting to £nil (2015: £781) was received from the parent company.

The total remuneration for key management personnel for the year totalled £451,713 (2015: £396,824).

### 25. Controlling party

The company is wholly owned by Comtrex Systems Corporation Inc, a company incorporated in the United States of America.

In the opinion of the directors, there is no controlling party.

# **Comtrex Systems Corporation Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

### **26. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.