

ERBE Medical UK Limited

Company Registration Number 03184850

Annual Report and Financial Statements

Year ended 31 December 2016

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The directors are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- 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 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 accounts 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.

	Note	2016 £	2015 £
Fixed assets			
Tangible fixed assets	5	48,477	55,190
Current assets			
Stocks	6	318,698	343,691
Debtors	7	784,975	604,473
Cash at bank and in hand		<u>1,516,747</u>	<u>1,843,540</u>
		2,620,420	2,791,704
Creditors: Amounts falling due within one year	8	<u>(699,868)</u>	<u>(714,583)</u>
Net current assets		<u>1,920,552</u>	<u>2,077,121</u>
Total assets less current liabilities		1,969,029	2,132,311
Provisions for liabilities		<u>(3,154)</u>	<u>(4,494)</u>
Net assets		<u><u>1,965,875</u></u>	<u><u>2,127,817</u></u>
Capital and reserves			
Called up share capital	9	216,193	216,193
Profit and loss account		<u>1,749,682</u>	<u>1,911,624</u>
		<u><u>1,965,875</u></u>	<u><u>2,127,817</u></u>

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These financial statements were approved and authorised for issue by the Board on 22/2/17 and signed on its behalf by:



P Simpson
Director

1 General information

ERBE Medical UK Limited is a private company limited by shares and incorporated in England and Wales.

The address of its registered office and principal place of business is:

The Antler Complex
1A Bruntcliffe Way
Morley
Leeds
West Yorkshire
LS27 0JG

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The company adopted FRS102 in the current year and an explanation of how transition to FRS102 has affected the reported financial position and performance is given in note 12.

Summary of disclosure exemptions

The company qualifies as a small company under the Companies Act 2006. The directors have elected to take advantage of the exemption under the provisions of FRS 102 Section 1A not to prepare a cash flow statement.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There is not believed to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and removal of ownership have been transferred to them.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Pension contributions

The company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

The tax expense for the period comprises current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only 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 calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Test and demonstration equipment	25% reducing balance basis and 50% straight line basis
Computers, fixtures and fittings	15-25% reducing balance basis

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Foreign currency

Transactions in foreign currency are translated at the ruling rate at the date of the transaction. Assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the balance sheet date or the contracted rate if applicable. All exchange differences are taken to the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

3 Employees

The average number of persons employed by the company (including directors) during the year was as follows:

	2016 No.	2015 No.
Employees	<u>13</u>	<u>13</u>

4 Tangible fixed assets

	Test and demonstration equipment £	Computers, fixtures and fittings £	Total £
Cost			
At 1 January 2016	535,043	187,355	722,398
Additions	41,987	1,118	43,105
Disposals	<u>(21,854)</u>	<u>-</u>	<u>(21,854)</u>
At 31 December 2016	<u>555,176</u>	<u>188,473</u>	<u>743,649</u>
Depreciation			
At 1 January 2016	508,256	158,952	667,208
Charge for the year	43,190	6,628	49,818
Eliminated on disposal	<u>(21,854)</u>	<u>-</u>	<u>(21,854)</u>
At 31 December 2016	<u>529,592</u>	<u>165,580</u>	<u>695,172</u>
Net book value			
At 31 December 2015	<u>26,787</u>	<u>28,403</u>	<u>55,190</u>
At 31 December 2016	<u>25,584</u>	<u>22,893</u>	<u>48,477</u>

5 Stocks

	2016 £	2015 £
Goods for resale	<u>318,698</u>	<u>343,691</u>

6 Debtors

	2016 £	2015 £
Trade debtors	712,701	539,459
Amounts owed from group undertakings	-	179
Other debtors	4,526	4,525
Prepayments	<u>67,748</u>	<u>60,310</u>
	<u>784,975</u>	<u>604,473</u>

7 Creditors:
Amounts falling due within one year

	2016 £	2015 £
Trade creditors	17,429	10,172
Social security and other taxes	242,161	225,306
Amounts owed to group undertakings	835	-
Other creditors	8,004	2,376
Corporation tax	61,264	104,290
Accruals	370,175	372,439
	<u>699,868</u>	<u>714,583</u>

8 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>216,193</u>	<u>216,193</u>	<u>216,193</u>	<u>216,193</u>

9 Financial commitments

Other financial commitments

The total amount of future operating lease commitments not provided for in the financial statements was £101,390 (2015: £154,946).

10 Parent company

The company's immediate parent is ERBE Elektromedizin GmbH, a company incorporated in Germany.

The company is ultimately controlled by the Erbe family.

11 Audit information

The option not to file the Audit Report has been taken. However, the following information is relevant:

- The report was unqualified; and
- There were no matters to which the auditor drew attention by way of emphasis.

The auditors were Brown Butler and the senior statutory auditor, who signed the report, was John Brear.

12 Transition to FRS 102

These accounts are the first that comply with FRS 102.

The company's date of transition to FRS 102 is 1 January 2015.

The company's last accounts prepared in accordance with previous UK GAAP were for the year ended 31 December 2015.

The transition to FRS 102 has resulted in no changes in the company's accounting policies compared to those used under previous UK GAAP and there were no changes to the figures previously reported for the year ended 31 December 2015.