

Company Registration No. 06578405 (England and Wales)

REFLEX INSTRUMENTS EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

TUESDAY



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25/04/2017
COMPANIES HOUSE

REFLEX INSTRUMENTS EUROPE LIMITED

COMPANY INFORMATION

Directors
B W Ridgeway
R Parfitt
K A Dundo
D Loughlin

Secretary
C Wilhelm

Company number
06578405

Registered office
One Bell Lane
Lewes
East Sussex
BN7 1JU

Auditor
Knill James
One Bell Lane
Lewes
East Sussex
BN7 1JU

Business address
Unit 4 & 5
Upper Stalls
Iford
Lewes
East Sussex
BN7 3EJ

REFLEX INSTRUMENTS EUROPE LIMITED

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REFLEX INSTRUMENTS EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The directors present their annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the company during the year was that of the supply and hire of electronic surveying instruments.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B W Ridgeway
R Parfitt
K A Dundo
D Loughlin

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Future developments

In the next financial year the company will continue to grow the business.

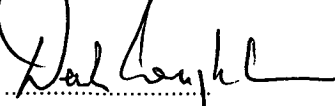
Auditor

Knill James were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D Loughlin

Director

7 April 2017

REFLEX INSTRUMENTS EUROPE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

REFLEX INSTRUMENTS EUROPE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REFLEX INSTRUMENTS EUROPE LIMITED

We have audited the financial statements of Reflex Instruments Europe Limited for the year ended 30 June 2016 set out on pages 5 to 19. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 set out on page 2, 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 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.

REFLEX INSTRUMENTS EUROPE LIMITED

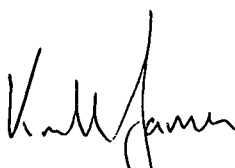
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF REFLEX INSTRUMENTS EUROPE LIMITED

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 company is entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.



Kevin Powell FCA (Senior Statutory Auditor)
for and on behalf of Knill James

7 April 2017

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

REFLEX INSTRUMENTS EUROPE LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 £	2015 £
Turnover	3	2,122,734	2,420,551
Cost of sales		(1,082,088)	(1,602,308)
Gross profit		1,040,646	818,243
Administrative expenses		(667,148)	(773,236)
Operating profit	4	373,498	45,007
Interest receivable and similar income	7	-	258
Profit before taxation		373,498	45,265
Taxation	8	(91,648)	(20,906)
Profit for the financial year	16	281,850	24,359

The profit and loss account has been prepared on the basis that all operations are continuing operations.

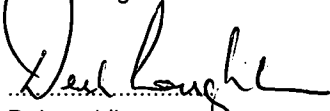
REFLEX INSTRUMENTS EUROPE LIMITED

BALANCE SHEET

AS AT 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	9		625,860		1,003,782
Current assets					
Stocks	10	338,955		432,586	
Debtors	11	717,024		795,834	
Cash at bank and in hand		107,567		252,594	
		1,163,546		1,481,014	
Creditors: amounts falling due within one year	12	(1,222,815)		(2,200,055)	
Net current liabilities			(59,269)		(719,041)
Total assets less current liabilities			566,591		284,741
Capital and reserves					
Called up share capital	15		1,000		1,000
Profit and loss reserves	16		565,591		283,741
Total equity			566,591		284,741

The financial statements were approved by the board of directors and authorised for issue on 7 APRIL 2017 and are signed on its behalf by:


D Loughlin
Director

Company Registration No. 06578405

REFLEX INSTRUMENTS EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2014	1,000	259,382	260,382
Year ended 30 June 2015:			
Profit and total comprehensive income for the year	-	24,359	24,359
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	1,000	283,741	284,741
Year ended 30 June 2016:			
Profit and total comprehensive income for the year	-	281,850	281,850
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2016	<hr/> <hr/> 1,000	<hr/> <hr/> 565,591	<hr/> <hr/> 566,591

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Reflex Instruments Europe Limited is a private company limited by shares incorporated in England and Wales. The registered office is One Bell Lane, Lewes, East Sussex, BN7 1JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 June 2016 are the first financial statements of Reflex Instruments Europe Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Index Limited, a company incorporated in Australia. These consolidated financial statements are available from its office, 2016 Balcatta Road, Balcatta, Western Australia 6021.

1.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will receive financial support from its ultimate parent company. The ultimate parent company has confirmed that it will continue to provide this support for the foreseeable future.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	1 - 3 years straight line
Fixtures, fittings & equipment	3 - 5 years straight line
Motor vehicles	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

2 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 amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Depreciation

The company exercises judgement to determine useful lives and residual values of plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Rental sales	1,575,879	1,306,428
Parts and other sales	546,855	1,114,123
	<u>2,122,734</u>	<u>2,420,551</u>

Other significant revenue

Interest income	-	258
	<u>-</u>	<u>258</u>

Turnover analysed by geographical market

	2016 £	2015 £
UK	121,927	193,644
Rest of the world	2,000,807	2,226,907
	<u>2,122,734</u>	<u>2,420,551</u>

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	129,201	(290,995)
Research and development costs	61,302	36,446
Fees payable to the company's auditor for the audit of the company's financial statements	7,290	5,800
Depreciation of owned tangible fixed assets	502,290	834,693
Loss on disposal of tangible fixed assets	24,242	9,532
Cost of stocks recognised as an expense	542,183	698,119
	<u> </u>	<u> </u>

5 Employees

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

2016 Number	2015 Number
10	8
<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	493,280	694,894
Social security costs	56,710	75,579
Pension costs	12,487	7,971
	<u> </u>	<u> </u>
	562,477	778,444
	<u> </u>	<u> </u>

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	223,586	223,414
	<u> </u>	<u> </u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	223,586	223,414
	<u> </u>	<u> </u>

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

7 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	-	258
	<u> </u>	<u> </u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	-	258
	<u> </u>	<u> </u>

8 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	82,046	(15,874)
Adjustments in respect of prior periods	-	152
	<u> </u>	<u> </u>
Total current tax	82,046	(15,722)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	9,602	36,683
Adjustment in respect of prior periods	-	(55)
	<u> </u>	<u> </u>
Total deferred tax	9,602	36,628
	<u> </u>	<u> </u>
 Total tax charge	 91,648	 20,906
	<u> </u>	<u> </u>

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	373,498	45,265
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.75%)	74,700	9,392
Tax effect of expenses that are not deductible in determining taxable profit	-	1,978
Effect of change in corporation tax rate	-	(1,236)
Permanent capital allowances in excess of depreciation	(955)	(26,561)
Under/(over) provided in prior years	-	152
Deferred tax adjustments in respect of prior years	-	(55)
Pensions	(166)	553
Deferred tax	9,602	36,683
Withholding tax	8,467	-
Taxation for the year	91,648	20,906

9 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2015	5,106,612	62,985	50,859	5,220,456
Additions	151,881	-	-	151,881
Disposals	(308,674)	-	-	(308,674)
At 30 June 2016	4,949,819	62,985	50,859	5,063,663
Depreciation and impairment				
At 1 July 2015	4,132,231	44,622	39,821	4,216,674
Depreciation charged in the year	486,103	9,823	6,364	502,290
Eliminated in respect of disposals	(281,161)	-	-	(281,161)
At 30 June 2016	4,337,173	54,445	46,185	4,437,803
Carrying amount				
At 30 June 2016	612,646	8,540	4,674	625,860
At 30 June 2015	974,381	18,363	11,038	1,003,782

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

10 Stocks

	2016 £	2015 £
Finished goods and goods for resale	338,955	432,586

11 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	459,642	496,530
Corporation tax recoverable	-	20,388
Other debtors	30,399	39,130
Prepayments and accrued income	8,523	11,724
	498,564	567,772

	2016 £	2015 £
Amounts falling due after more than one year:		
Other debtors	7,192	7,192
Deferred tax asset (note 13)	211,268	220,870
	218,460	228,062

Total debtors	717,024	795,834
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12 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	19,852	33,492
Amounts due to group undertakings	1,104,994	2,030,668
Corporation tax	10,060	-
Other taxation and social security	45,815	61,967
Other creditors	12,174	2,664
Accruals and deferred income	29,920	71,264
	1,222,815	2,200,055

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

13 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2016 £	Assets 2015 £
Balances:		
Decelerated capital allowances	211,268	220,870
	<u>211,268</u>	<u>220,870</u>
Movements in the year:		2016 £
Liability/(Asset) at 1 July 2015		(220,870)
Charge to profit or loss		9,602
		<u>9,602</u>
Liability/(Asset) at 30 June 2016		(211,268)
		<u>(211,268)</u>

14 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	12,487	7,971
	<u>12,487</u>	<u>7,971</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

16 Reserves

Profit and loss reserves

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

17 Contingent liabilities

At the year end the company had a liability in relation to PAYE due on a share option award scheme. The amount estimated to be due has been fully provided in the accounts, however, at this stage any potential penalty that HMRC could levy on this amount cannot be estimated with any reasonable certainty to the amount or timing of any outflow and therefore no provision has been included in the accounts in respect this.

18 Related party transactions

The company has entered into a Deed of Common Provisions to be a joint guarantor, along with its parent company Imdex Limited and other associated group companies, in favour of Sankaty Advisors LLC, 200 Clarendon Street, FL 41, Boston, MA 02116, USA.

The company has taken advantage of the exemption in FRS 102 Section 33 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

19 Controlling party

The company is ultimately controlled by Imdex Limited, a company incorporated in Australia, who own the entire issued share capital of Reflex Instruments Asia Pacific Pty Limited, a company incorporated in Australia, who in turn own the entire issued share capital of Reflex Instruments Europe Limited. Copies of its consolidated accounts, which include the results of the company, are available from Imdex Limited, 216 Balcatta Road, Balcatta, Western Australia 6021.