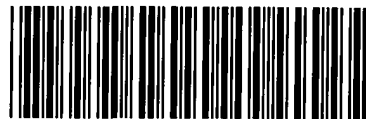


Company Registration No. 06578405 (England and Wales)

REFLEX INSTRUMENTS EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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COMPANIES HOUSE

REFLEX INSTRUMENTS EUROPE LIMITED

COMPANY INFORMATION

Directors	B W Ridgeway R Parfitt K A Dundo Mr P E House	(Appointed 22 January 2018)
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Secretary	Ms R Mikolajczyk
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Company number	06578405
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Registered office	Unit 4 & 5 Upper Stalls Iford Lewes East Sussex BN7 3EJ
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Auditor	Knill James One Bell Lane Lewes East Sussex BN7 1JU
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Business address	Unit 4 & 5 Upper Stalls Iford Lewes East Sussex BN7 3EJ
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REFLEX INSTRUMENTS EUROPE LIMITED

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REFLEX INSTRUMENTS EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their annual report and financial statements for the year ended 30 June 2018.

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

Mr P E House

(Resigned 22 January 2018)

(Appointed 22 January 2018)

Results and dividends

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

Ordinary dividends were paid amounting to £284,770. The directors do not recommend payment of a further dividend.

Future developments

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

Auditor

In accordance with the company's articles, a resolution proposing that Knill James be reappointed as auditor of the company 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



R Parfitt

Director

Date: 26-9-18

REFLEX INSTRUMENTS EUROPE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

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

Opinion

We have audited the financial statements of Reflex Instruments Europe Limited (the 'company') for the year ended 30 June 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



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

2 October 2018

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 2018

	Notes	2018 £	2017 £
Turnover	3	4,267,243	4,138,713
Cost of sales		(2,063,431)	(1,876,375)
Gross profit		2,193,812	2,262,338
Administrative expenses		(617,436)	(726,511)
Operating profit	4	1,576,376	1,535,827
Interest receivable and similar income	8	783	-
Interest payable and similar expenses	9	(157)	(204)
Profit before taxation		1,577,002	1,535,623
Tax on profit	10	(274,458)	(340,592)
Profit for the financial year		1,302,544	1,195,031

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 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12		1,527,662		1,351,274
Current assets					
Stocks	13	383,542		445,823	
Debtors	14	1,043,294		1,310,562	
Cash at bank and in hand		155,838		169,943	
		<u>1,582,674</u>		<u>1,926,328</u>	
Creditors: amounts falling due within one year	15	<u>(330,940)</u>		<u>(1,515,980)</u>	
Net current assets			<u>1,251,734</u>		<u>410,348</u>
Total assets less current liabilities			<u><u>2,779,396</u></u>		<u><u>1,761,622</u></u>
Capital and reserves					
Called up share capital	18		1,000		1,000
Profit and loss reserves	19		2,778,396		1,760,622
Total equity			<u><u>2,779,396</u></u>		<u><u>1,761,622</u></u>

The financial statements were approved by the board of directors and authorised for issue on 26/9/2018 and are signed on its behalf by:


 R. Parfitt
 Director

Company Registration No. 06578405

REFLEX INSTRUMENTS EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

		Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2016		1,000	565,591	566,591
Year ended 30 June 2017:				
Profit and total comprehensive income for the year		-	1,195,031	1,195,031
Balance at 30 June 2017		1,000	1,760,622	1,761,622
Year ended 30 June 2018:				
Profit and total comprehensive income for the year		-	1,302,544	1,302,544
Dividends	11	-	(284,770)	(284,770)
Balance at 30 June 2018		1,000	2,778,396	2,779,396

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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 Unit 4 & 5, Upper Stalls, Iford, Lewes, East Sussex, BN7 3EJ.

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.

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

1.2 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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.3 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.

1.4 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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

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.

1.6 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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

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.

1.7 Cash at bank and in hand

Cash at bank and in hand 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.

1.8 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.

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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

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 payments 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.

1.9 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.

1.10 Taxation

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

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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

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.

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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

3 Turnover and other revenue

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

	2018 £	2017 £
Turnover analysed by class of business		
Rental sales	3,002,607	3,217,376
Parts and other sales	1,254,636	921,337
	<u>4,257,243</u>	<u>4,138,713</u>

	2018 £	2017 £
Other significant revenue		
Interest income	783	-
	<u>783</u>	<u>-</u>

	2018 £	2017 £
Turnover analysed by geographical market		
UK	572,254	158,178
Rest of the world	3,684,989	3,980,535
	<u>4,257,243</u>	<u>4,138,713</u>

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(73,580)	119,526
Research and development costs	97,037	73,177
Fees payable to the company's auditor for the audit of the company's financial statements	6,695	6,695
Depreciation of owned tangible fixed assets	793,707	612,624
Loss/(profit) on disposal of tangible fixed assets	59,056	(181)
Cost of stocks recognised as an expense	1,219,471	1,124,560
Operating lease charges	42,400	41,912
	<u>2,288,085</u>	<u>2,088,719</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £73,580 (2017 - £119,526).

5 Auditor's remuneration

	2018 £	2017 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,695	6,695
	<u>6,695</u>	<u>6,695</u>

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Employees

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

	2018 Number	2017 Number
Staff	11	8

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	515,285	610,466
Social security costs	57,606	50,174
Pension costs	12,542	11,601
	585,433	672,241

7 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	249,922	244,860
Company pension contributions to defined contribution schemes	465	377
	250,387	245,237

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

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

	2018 £	2017 £
Remuneration for qualifying services	249,922	244,860
Company pension contributions to defined contribution schemes	465	377

8 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Other interest income	783	-

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

9 Interest payable and similar expenses

	2018 £	2017 £
Other finance costs:		
Other interest	157	204

10 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	316,122	278,676
Adjustments in respect of prior periods	(23,039)	37,039
Total current tax	293,083	315,715
Deferred tax		
Origination and reversal of timing differences	(18,625)	24,877
Total tax charge	274,458	340,592

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:

	2018 £	2017 £
Profit before taxation	1,577,002	1,535,623
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.80%)	299,630	304,053
Tax effect of expenses that are not deductible in determining taxable profit	12,405	-
Adjustments in respect of prior years	(23,038)	36,927
Permanent capital allowances in excess of depreciation	4,086	(24,686)
Deferred tax	(18,625)	24,877
Withholding tax	-	112
Other adjustments	-	(691)
Taxation charge for the year	274,458	340,592

11 Dividends

	2018 £	2017 £
Final paid	284,770	-

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

12 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2017	5,798,815	62,072	25,282	5,886,169
Additions	1,213,814	7,426	-	1,221,240
Disposals	(530,170)	(4,517)	-	(534,687)
At 30 June 2018	6,482,459	64,981	25,282	6,572,722
Depreciation and impairment				
At 1 July 2017	4,457,833	55,190	21,872	4,534,895
Depreciation charged in the year	790,961	2,746	-	793,707
Eliminated in respect of disposals	(282,877)	(665)	-	(283,542)
At 30 June 2018	4,965,917	57,271	21,872	5,045,060
Carrying amount				
At 30 June 2018	1,516,542	7,710	3,410	1,527,662
At 30 June 2017	1,340,982	6,882	3,410	1,351,274

13 Stocks

	2018 £	2017 £
Finished goods and goods for resale	383,542	445,823

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	565,035	944,804
Other debtors	237,401	164,210
Prepayments and accrued income	35,842	15,157
	838,278	1,124,171
Amounts falling due after more than one year:		
Deferred tax asset (note 16)	205,016	186,391
Total debtors	1,043,294	1,310,562

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	102,746	54,140
Amounts due to group undertakings	11,722	1,102,667
Corporation tax	86,358	175,753
Other taxation and social security	26,308	18,541
Other creditors	18,295	2,996
Accruals and deferred income	85,511	161,883
	<u>330,940</u>	<u>1,515,980</u>

16 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 2018 £	Assets 2017 £
Balances:		
Decelerated capital allowances	<u>205,016</u>	<u>186,391</u>
Movements in the year:		2018 £
(Asset)/liability at 1 July 2017		(186,391)
Credit to profit or loss		(18,625)
(Asset)/liability at 30 June 2018		<u>(205,016)</u>

17 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>12,542</u>	<u>11,601</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.

REFLEX INSTRUMENTS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

18 Share capital

	2018 £	2017 £
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>

19 Reserves

Profit and loss reserves

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

20 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	28,989	37,114
Between two and five years	3,553	32,542
	<u>32,542</u>	<u>69,656</u>

21 Related party transactions

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.

22 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.