Registered No. SC119641

Teledyne Bowtech Limited (formerly Bowtech Products Limited)

Annual Report and Financial Statements

11 months to 31 December 2015

COMPANIES HOUSE
30 SEP 2016
EDINBURGH FRONT DESK

COMPANIES HOUSE
21 OCT 2016
EDINBURGH FRONT DESK

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Contents

Registered No. SC119641

Strategic report

Registered No. SC119641

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Review of the business

The company's principal activity is the manufacture of cameras and lighting equipment for use predominantly in harsh and subsea environments. The company was acquired by Rhombi Holdings Limited, a wholly owned subsidiary of Teledyne Technologies Incorporated, on 2 February 2015. The company changed its name to Teledyne Bowtech Limited on the same date. In order to align financial reporting with the acquiring entity, the company's accounting reference date was changed from 31 January to 31 December.

The loss for the 11 month period after taxation amounted to £880k (year to 31 January 2015 – profit of £225k). A large proportion of the company's business is in the oil and gas marketplace. Volatility over the price of oil created uncertainty in the oil and gas sector, which had a significant impact on the company during 2015 resulting in lower revenue and profits for the 11 month period.

Key performance indicators

The company has not been a subsidiary of Teledyne Technologies Incorporated for a full financial year therefore key performance indicator targets were not set for the company for the eleven month period covered by these financial statements.

Principal risks and uncertainties

Financial risk

The company's operations expose it to a variety of trading and financial risks including the effects of oil and gas price volatility, changes in interest rates, foreign currency exchange rates, credit risk and liquidity risk.

The company's principal financial instruments comprise cash and bank deposits, bank overdrafts and obligations under finance leases together with trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the company's financial instruments can be analysed as follows:

Foreign currency risk

The company is exposed in its trading operations to the risk of changes in foreign currency exchange rates. The main foreign currencies in which the company operates are the euro and the US dollar. The company has not used derivative instruments in its management of this risk.

Credit risk

The company's principal financial assets are trade and related company debtors, which represent the company's maximum exposure to credit risk in relation to financial assets.

The company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating.

The amounts presented in the balance sheet are net of allowances for doubtful debts, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The company has no significant concentration of cash risk, with exposure spread over a large number of customers.

Liquidity risk

The company's policy has been to arrange funding for operations using Teledyne group credit facilities to aid short-term flexibility

Strategic report (continued)

Registered No. SC119641

Future developments and events after the balance sheet date

The company's strategy is to consolidate and grow its presence in the niche markets within which the company operates. The company is actively seeking, in conjunction with the wider Teledyne group of businesses, to diversify into adjacent markets and therefore reduce its exposure to and dependence on the oil and gas market.

There have been no significant events since the balance sheet date.

HT Barnshaw

Director
30 September 2016

9/13 Napier Road
Cumbernauld
North Lanarkshire G68 0EF

Directors' report

Registered No. SC119641

The directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report, for the 11 month period ended 31 December 2015.

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on pages 2 and 3 and form part of this report by cross-reference.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company reported a loss for the 11 month period from 1 February 2015, the majority of which loss was caused directly as a result of the significant downturn in the marine market. This downturn was predominantly caused by the volatility of the oil price, resulting in lower demand for submersible vehicles operating in harsh environments upon which Bowtech's equipment is installed. With the support of Teledyne, as demonstrated by the capital contribution received by the company during the period, which strengthened the balance sheet, the company is in a stronger financial position than previously and, with consolidation activity and cost re-alignment, the company is well positioned to take advantage of the eventual market upturn. Thus the directors. continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Principal risks and uncertainties

Details of principal risks and uncertainties can be found in the Strategic Report on pages 2 to 3 and form part of this report by cross-reference.

Dividends

No dividends were paid during the period (year to 31 January 2015: nil)

Directors

The directors, who served throughout the year except as noted, were as follows:

R Mehrabian	(appointed 2 February 2015)
MS Cibik	(appointed 2 February 2015)
HT Barnshaw	(appointed 2 February 2015)
SL Main	(appointed 2 February 2015
B Hector	(resigned 2 February 2015)
M Winstanley	(resigned 2 February 2015)
S Bowring	(resigned 2 February 2015)

Political contributions

No political donations were made during the period (year to 31 January 2015: nil)

Directors' report (continued)

Registered No. SC119641

Auditor

Following the acquisition of the company by Rhombi Holdings on 2 February 2015, the former company auditors Campbell Dallas LLP tendered their resignation and Deloitte LLP, the current auditor of the Teledyne Corporation of which the company is a subsidiary, were appointed as auditors on 17 November 2015.

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

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

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

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

HT Barnshaw

Director

30 September 2016

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Teledyne Bowtech Limited

We have audited the financial statements of Teledyne Bowtech Limited for the period ended 31 December 2015, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 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 FRS102 "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, 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 31 December 2015 and of the loss for the period 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report (continued)

to the members of Teledyne Bowtech 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

James Boyle CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Saltire Court
20 Castle Terrace
Edinburgh, United Kingdom
EH1 2DB
30 September 2016

Profit and loss account

for the period ended 31 December 2015

	Notes	*11 months to 31 December 2015 £'000*	*Year to 31 January 2015 £'000*
Turnover	3	4,251	6,469
Cost of sales		(3,512)	(3,620)
Gross profit		739	2,849
Distribution costs		(759)	(731)
Administrative expenses		(886)	(1,804)
Operating (Loss)/profit		(906)	314
Finance costs (net)	4	-	(106)
(Loss)/profit on ordinary activities before taxation	5	(906)	208
Tax on (Loss)/profit on ordinary activities	8	26	17
(Loss)/profit for the financial year		(880)	225

All operations are continuing.

There have been no recognised gains and losses attributable to the shareholders other than the results for the current and preceding financial year as presented in the profit and loss account above and therefore no separate Statement of Comprehensive Income has been presented.

Balance sheet

at 31 December 2015

	Notes	31 December 2015 £'000	31 January 2015 £'000
Fixed assets			
Tangible assets	9	3,399	3,263
Current assets			
Stocks	10	795	1,296
Cash at bank and in hand		266	454
Debtors	11	637	1,260
		1,698	3,010
Creditors: amounts falling due within one year	12	(525)	(3,071)
Net current assets/(liabilities)		1,173	(61)
Total assets less current liabilities		4,572	3,202
Provisions for liabilities	13	(105)	(106)
Net assets		4,467	3,096
Capital and reserves			
Share Capital	14	13	13
Share premium		32	32
Profit and loss account		2,171	3,051
Capital contribution		2,251	-
Shareholders' funds		4,467	3,096

The financial statements of Teledyne Bowtech Limited (registered number SC119641) were approved by the board of directors and authorised for issue on 30 September 2016. They were signed on its behalf by:

HT Barnshaw

Director

Statement of changes in equity

at 31 December 2015

	Share Capital £'000	*Share Premium £'000*	*Profit and loss account £'000*	*Capital contribution £'000*	*Total £'000*
At 1 February 2014	13	32	2,826	-	2,871
Profit for year	-	-	225	-	225
At 31 January 2015	13	32	3,051	-	3,096
Loss for 11 month period	-	-	(880)	-	(880)
Capital contribution received	-	-	-	2,251	2,251
At 31 December 2015	13	32	2,171	2,251	4,467

Notes to the financial statements

at 31 December 2015

1. Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and to the preceding year.

Teledyne Bowtech Limited (formerly Bowtech Products Limited) was acquired by Rhombi Holdings Limited on 2 February 2015 and changed its accounting reference date from 31 January to 31 December. Consequently the current period is presented for 11 month ended 31 December 2015 and comparative information is presented for the year to 31 January 2015

a. General information and basis of accounting

Teledyne Bowtech Limited is a company incorporated in the United Kingdom under the Companies Act. The nature of the company's operations and its principal activities are set out in the strategic report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. .

The prior year financial statements were reviewed and, in the directors' opinion, no restatement was required for material adjustments on adoption of FRS 102 in the current year. For more information see note 19.

The functional currency of Teledyne Bowtech Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Teledyne Bowtech Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

b. Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report.

The Company meets its day to day working capital requirements from cash generated from its operations and through financing provided by associated Teledyne companies as required. The loan finance in situ at 31 January 2015 was repaid upon acquisition of the company by Rhombi Holdings Limited.

The directors have a reasonable expectation that, with the assistance of group financing capability, the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold land and buildings 2% per annum

Plant and fixtures 20% -25% per annum

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.

Notes to the financial statements (continued)

at 31 December 2015

1. Significant accounting policies (continued)

d. 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 Company after deducting all of its liabilities.

(i) Financial assets and 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 finance 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 Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
(b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
(c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
(d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.
Other debt instruments not meeting these conditions are measured at fair value through profit or loss.
Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Notes to the financial statements (continued)

at 31 December 2015

1. Significant accounting policies (continued)

e. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes, materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO method (first-in, first-out method). Provision is made for obsolete slow moving or defective items where appropriate.

f. Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

g. Turnover

Turnover from the sale of goods is recognised as per contract terms at the point that goods are physically shipped or delivered to the customer's site if delivery occurs prior to 31 December 2015. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

h. Research and development

Expenditure on research and development is written off against profits in the year in which it is incurred.

i. Employee benefits

The company is party to the Teledyne UK group defined contribution pension scheme and the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

j. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

k. Cash flow statement

The directors have relied upon the exemption provided within FRS 102 section 7 not to prepare a cash flow statement as the company is a wholly owned subsidiary undertaking of Teledyne Technologies Incorporated.

Notes to the financial statements (continued)

at 31 December 2015

2. Critical accounting 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 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.

In the view of the directors, there are no critical accounting judgements or key sources of estimation uncertainty which affect the company's financial statements.

3. Turnover

An analysis of turnover by geographical market is given below:

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
United Kingdom	2,737	4,166
Rest of Europe	781	946
Americas	337	538
Asia	297	631
Middle East & Africa	99	188
	4,251	6,469

An analysis of turnover by business class is given below:

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
Sales of camera products	1,297	2,387
Sales of lighting products	1,381	1,835
Other	1,573	2,247
	4,251	6,469

All sales relate to the sale of goods.

Notes to the financial statements (continued)

at 31 December 2015

4. Finance costs (net)

	11 months to 31 December 2015 £'000	Year to 31 January 2015 £'000
Net bank interest payable	-	78
Interest payable on director's loan	-	28
	-	106

5. (Loss)/profit on ordinary activities before taxation

(Loss)/Profit on ordinary activities before taxation is stated after charging/(crediting):

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
Depreciation of owned fixed assets	156	153
Gain on sale of fixed assets	(4)	-
Research and development expenditure	728	804
Foreign currency exchange gains	(6)	(46)

The analysis of the auditor's remuneration is as follows:

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
Fees payable to the company's auditor for the audit of the company's annual accounts	2	9
Fees payable to the company's auditor for non-audit services	-	
Taxation services		3
Other services	-	17

Fees payable for audit and non-audit services since 31 January 2015 are borne by one of the Company's fellow group undertakings.

Notes to the financial statements (continued)

at 31 December 2015

6. Directors' remuneration

No director received remuneration or other benefits from the company during the period (year to 31 January 2015 - £288,719).

One director is also a director of a fellow group undertaking, from which he received remuneration for qualifying services, amounting to £185,533 for the 11 month period. The directors do not believe that it is practicable to apportion this amount over the other Teledyne group companies.

Three other directors do not perform any qualifying services to the company, therefore their emoluments are £nil.

7. Staff costs

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
Wages and salaries	2,095	2,090
Social security costs	231	242
Other pension costs	58	7
	2,384	2,339

Other pension costs constitute company contributions to the defined contribution pension plan.

The average monthly number of employees during the year was made up as follows:

	11 months to 31 December 2015 No.	*Year to 31 January 2015 No.*
Production	32	33
Selling	12	12
Administration	4	4
	48	49

Notes to the financial statements (continued)

at 31 December 2015

8. Tax

Tax on (loss)/profit on ordinary activities

The tax credit is made up as follows:

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
Current tax:		
UK corporation tax on the (loss)/profit for period	-	43
Adjustments in respect of prior years	-	(128)
	-	(85)
Deferred tax:		
Origination and reversal of timing differences		
Current period (credit)/charge	(9)	1
Adjustments in respect of prior years	(10)	67
Effect of change in tax rate	(7)	-
Total deferred tax	(26)	68
Tax on (loss)/profit on ordinary activities	(26)	(17)

The standard rate of tax applied to the reported profit on ordinary activities is 20.25% (2014: 20.00%). The applicable tax rate has changed following the substantive enactment of the Finance Act 2013. Following the latest Finance Bill to receive Royal Assent, which enacted an 18% Corporation tax rate, the blended tax rate applicable to deferred tax is 18.6%.

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 20.25% (2014: 20.00%). The differences are explained below:

	11 months to 31 December 2015 £'000	*Year to 31 January 2015 £'000*
(Loss)/profit on ordinary activities before tax	(906)	208
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (year to January 31 2015: 20.00%)	(183)	41
Effects of:		
Expenses not deductible for tax purposes	9	15
Adjustments in respect of prior years	-	(128)
Enhanced R&D tax credit relief	-	(19)
Fixed asset timing differences	(18)	74
Effect of change in tax rate	(7)	
Group relief surrendered for nil payment	173	-
Total tax expense	(26)	(17)

Notes to the financial statements (continued)
at 31 December 2015

9. Tangible fixed assets

	Freehold land and buildings £'000	*Plant and fixtures* £'000	*Total* £'000
Cost or valuation:			
At 1 February 2015	3,091	743	3,834
Additions	26	283	309
Disposals	-	(55)	(55)
At 31 December 2015	3,117	971	4,088
Depreciation:			
At 1 February 2015	57	514	571
Charge for the period	46	110	156
Disposals	-	(38)	(38)
At 31 December 2015	103	586	689
Net book value:			
At 31 December 2015	3,014	385	3,399
At 1 February 2015	3,034	229	3,263

10. Stocks

	31 December 2015 *£'000*	*31 January 2015* *£'000*
Raw materials and components	677	1,159
Work in progress	118	137
	795	1,296

11. Debtors

	31 December 2015 *£'000*	*31 January 2015* *£'000*
Amounts falling due within one year:		
Trade debtors	488	1,122
Other debtors	-	94
Amounts owed from group undertakings	75	-
Prepayments and accrued income	74	44
	637	1,260

Amounts owed from group undertakings are repayable upon demand and bear no interest.

Notes to the financial statements (continued)

at 31 December 2015

12. Creditors

	31 December 2015 £'000	*31 January 2015 £'000*
Amounts falling due within one year:		
Trade creditors	354	600
Amounts owed to group undertakings	10	-
Other taxation and social security	5	164
Other creditors	101	700
Bank loans	-	1,500
Accruals	55	107
	525	3,071

Amounts owed to group undertakings are repayable upon demand and bear no interest.

13. Provisions for liabilities

	Product Warranties *£'000*	Deferred tax *£'000*	Total *£'000*
At 1 February 2015	-	106	106
Charged/(credited) to profit and loss account	25	(26)	(1)
At 31 December 2015	25	80	105

Product warranties

The provision for product warranties relates to expected warranty claims based on historical experience of claims on products sold in the last two years. It is expected that the majority of this expenditure will be incurred in the next financial year and that all will be incurred within three years of the balance sheet date.

	31 December 2015 £'000	*31 January 2015 £'000*
Deferred tax		
Deferred tax is provided as follows:		
Accelerated capital allowances	80	106

Notes to the financial statements (continued)

at 31 December 2015

14. Called up share capital and reserves

		31 December 2015		*31 January 2015*
Allotted, called up and fully paid	*No.*	*£'000*	*No.*	*£'000*
Ordinary shares of £1 each	13,019	13	13,019	13

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

The capital redemption reserve represents additional capital contributions provided by affiliated entities. These capital contributions were applied by the company in order to redeem debt balances and associated interest liabilities that the company had at the date of acquisition by Rhombi Holdings Limited.

The share premium reserve represents amounts paid for shares issued in excess of nominal value.

15. Employee benefits

Defined contribution pension scheme

The company is party to the Teledyne UK group defined contribution retirement benefit scheme, which is eligible for all qualifying employees. The total expense charged in the period ended 31 December 2015 was £58,000 (year to 31 January 2015 under the Bowtech Products Limited former defined contribution pension scheme: £7,000 (2014: £1,080)).

16. Capital commitments

As at 31 December 2015, the company had capital commitments of £24,000 (January 2015: £nil).

17. Related party transactions

The company has taken advantage of the exemption available under section 33 of FRS 102 with regard to the non-disclosure of transactions between wholly owned group companies.

18. Ultimate parent undertaking and related parties

The company's immediate parent undertaking is Rhombi Holdings Limited, which holds 100% of the issued share capital. The ultimate parent undertaking and controlling party is Teledyne Technologies Incorporated. It has included the company in its group accounts, which is the smallest and largest group for which group accounts are available. Copies of the Teledyne Technologies Incorporated, a company incorporated in the United States of America, accounts are available from its registered office: 1049 Camino Dos Rios, Thousand Oaks, CA 91360. The company is not required to disclosed related party transactions entered into between two or more members of a group under FRS 102 section 33 1 A.

19. Explanation of the transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 January 2014 and the date of transition to FRS 102 was therefore 1 February 2015. As a consequence of adopting FRS 102, no accounting policies required to change to comply with that standard. There were no material adjustments arising, on equity or profit or loss, from transition to FRS 102.