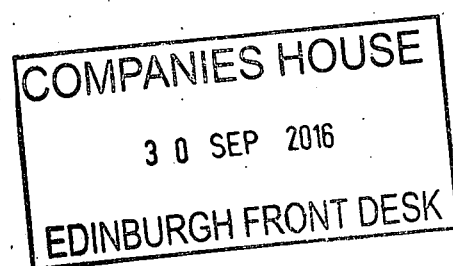


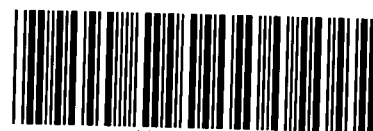
Teledyne CDL Limited (formerly C.D.Limited)

Annual Report and Financial Statements

31 December 2015



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Strategic report

The Directors present their strategic report for the year ended 31 December 2015.

Review of the business

The company's principal activity during the period was the design, manufacture and distribution of oilfield and marine navigation survey equipment.

The profit for the year, after taxation, amounted to £250,598 (2014: £605,780).

Key performance indicators

The company reports on a number of key performance indicators on a quarterly basis.

The company measures sales per employee and operating profit per employee. In the year to 31 December 2015 these metrics were £241,000 (2014: £365,000) and £17,000 (2014: £55,000) respectively.

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, foreign currency exchange rates, credit risk and liquidity risk.

The company's principal financial instruments comprise cash, cash equivalents and intercompany receivable balance. Other financial assets and liabilities, such as trade debtors and trade creditors arise directly from operating activities.

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

Exchange rate risk

The company's foreign trading exposes it to foreign exchange risk, predominantly translation risk. Translation exposures are hedged by an affiliated Teledyne company on a group basis when known, principally using forward exchange contracts.

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)

Future developments and events after the balance sheet date

During the first half of 2016, the trade, employees and some of the assets of the company were transferred to Teledyne TSS Limited which is part of the Teledyne group of companies. The assets that were transferred were valued at net book value. The investments in subsidiaries and intercompany balances with group undertakings were not transferred as part of this transaction. It is envisaged that from 2017 the company will become a holding entity.



H Barnshaw
Director

30 September 2016

9-13 Napier Road
Cumbernauld
G68 0EF

Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 31 December 2015. The business review and details of principal risks and uncertainties can be found in the Strategic report on page 2.

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 page 2 and form part of this report by cross-reference.

Going concern

As mentioned in the strategic report, during the first half of 2016, some of the assets of the company were sold and the trade was transferred to an affiliated company. The consideration receivable equates to the net book value of the net assets sold. As at the date of approval of the financial statements the Company is maintained as holding company. Accordingly, the financial statements continue to be prepared under the going concern basis.

Dividends

No dividends were paid during the year. The directors do not intend to pay a final dividend.

Directors

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

H Barnshaw
S Main
M Cibik
R Mehrabian

Political contributions

No political donations were made during the year.

Auditor

During 2015, Eart & Young LLP resigned as auditors and Deloitte LLP were appointed as auditors of the company. 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.

Approved by the Board and signed on its behalf by:



H Barnshaw
Director

30 September 2016
9-13 Napier Road
Cumbernauld
G68 0EF

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 CDL Limited

We have audited the financial statements of Teledyne CDL Limited for the year 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 21. 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, 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 Company's 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

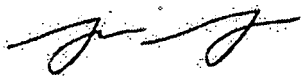
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Teledyne CDL Limited (continued)

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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 year ended 31 December 2015

		2015	2014
	Notes	£	£
Turnover	3	3,857,790	8,034,016
Cost of sales		(2,542,527)	(5,129,142)
Gross profit		1,315,263	2,904,874
Administrative expenses		(954,757)	(1,567,192)
Selling and distribution expenses		(121,172)	(160,101)
Other operating income		36,000	36,000
Operating profit	4	275,334	1,213,581
Other exceptional items	5	-	(502,240)
Interest receivable	6	-	243
Interest payable	7	(1,962)	(2,753)
Profit on ordinary activities before taxation		273,372	708,831
Tax on profit on ordinary activities	9	(22,774)	(103,051)
Profit retained for the financial year		250,598	605,780

There are no additional items which should be included in a Statement of Comprehensive Income in either the current or previous year. Accordingly, no such statement is presented.

The notes on pages 11 to 23 form part of these financial statements.

Balance Sheet

at 31 December 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	10	1,069,429	1,146,032
Investments	11	62	62
		<u>1,069,491</u>	<u>1,146,094</u>
Current assets			
Stock	12	440,653	840,498
Debtors	13	2,338,656	2,902,015
Cash at bank and in hand		-	17,731
		<u>2,779,309</u>	<u>3,760,244</u>
Creditors: amounts falling due within one year	14	<u>(340,764)</u>	<u>(1,630,311)</u>
Net current assets		<u>2,438,545</u>	<u>2,129,933</u>
Total assets less current liabilities		<u>3,509,036</u>	<u>3,276,027</u>
Creditors: amounts falling due after more than one year	15	<u>(21,268)</u>	<u>(41,985)</u>
Provision for liabilities	16	<u>(60,350)</u>	<u>(58,222)</u>
Net assets		<u><u>3,426,418</u></u>	<u><u>3,175,820</u></u>
Capital and reserves			
Share capital	17	5,000	5,000
Revaluation reserve		561,260	585,891
Other reserves		262,570	262,570
Profit and loss		<u>2,597,588</u>	<u>2,322,359</u>
Equity shareholders' funds		<u><u>3,426,418</u></u>	<u><u>3,175,820</u></u>

The financial statements of Teledyne CDL Limited (registered number SC189383) were approved by the board of directors and authorised for issue on 30 September 2016. They were signed on its behalf by:


H Barnshaw
Director

Statement of changes in equity

at 31 December 2015

	<i>Share capital</i>	<i>Revaluation reserve</i>	<i>Other reserves</i>	<i>Profit and loss account</i>	<i>Total</i>
	£	£	£	£	£
At 1 January 2014	5,000	610,522	262,570	1,691,948	2,570,040
Profit for the year	-	-	-	605,780	605,780
Release from revaluation reserve	-	(24,631)	-	24,631	-
At 31 December 2014	5,000	585,891	262,570	2,322,359	3,175,820
Profit for period	-	-	-	250,598	250,598
Release from revaluation reserve	-	(24,631)	-	24,631	-
At 31 December 2015	5,000	561,260	262,570	2,597,588	3,426,418

Notes to the financial statements

at 31 December 2015

1. Accounting policies

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

a. General information and basis of accounting

Teledyne CDL Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 3. 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, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

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

Teledyne CDL 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 separate financial statements. Exemptions have been taken in relation to share-based payments, presentation of a cash flow statement, intra-company 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 directors' report further describes the financial position of the company; the company's objectives, policies and processes for managing its capital; its financial risk management objectives and its exposure to credit risk and liquidity risk.

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 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, less estimated residual, of each asset value on a straight-line basis over its expected useful life, as follows:

Heritable property	- 25 years straight line
Plant and machinery	- 4 years straight line
Fixtures and fittings	- 4 years straight line
Motor vehicles	- 4 years straight line

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. 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. Accounting policies (continued)

d. Financial instruments (continued)

(ii) Investments

In the Company balance sheet, investments (including investments in associates) are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

(iii) Equity instruments

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

(iv) Hedge accounting

The Company does not engage in hedging activities.

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. Provision is made for obsolete, slow-moving or defective items where appropriate.

f. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

g. Taxation

Current tax, including UK corporation tax and foreign 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.

Notes to the financial statements (continued)

at 31 December 2015

1. Accounting policies (continued)

h. Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. 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. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

i. Employee benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

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. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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.

Notes to the financial statements (continued)

at 31 December 2015

3. Turnover

Turnover, which is stated net of value added tax, represents amounts derived from the provision of goods and services to third parties and relates to the continuing activity of the design, manufacture and distribution of marine survey instruments and provision of related services. An analysis of turnover by geographical market is given below:

	2015	2014
	£	£
United Kingdom	1,863,800	3,309,636
Europe	660,253	1,091,359
Rest of the World	1,333,737	3,633,021
	<u>3,857,790</u>	<u>8,034,016</u>

All sales related to sales of equipment used for oilfield and marine navigation surveys with the exception of £ 276,432k (2014: £100,523k) relating to repair and calibration services provided to customers.

4. Profit/(loss) before taxation

This is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of owned fixed assets	118,592	107,919
Research and development	6,911	43,738
Operating lease rentals – land and buildings	18,284	16,290
Exchange losses	<u>167,754</u>	<u>72,986</u>

Auditor's remuneration is borne by the company's parent undertaking. The amount applicable to Teledyne CDL Limited for 2015 was £14,000 (2014: £12,000).

5. Other exceptional items

The company's Singapore subsidiary was closed down in 2014 and the full amount of the receivable (£91,490) on the intercompany account was written off.

In addition, the amounts due by the company's Brazilian subsidiary were converted to additional equity investment in 2014. Following this conversion, the company carried out an impairment provision on the investment in its Brazilian subsidiary. This impairment exercise resulted in the company taking full provision of all amounts due as at 31 December 2014 (£410,750). There was no further impairment required during 2015.

The total exceptional charge taken in 2014 amounted to £502,240.

6. Interest receivable

	2015	2014
	£	£
Bank interest	<u>-</u>	<u>243</u>

Notes to the financial statements (continued)

at 31 December 2015

7. Interest payable

	2015	2014
	£	£
Hire purchase interest	1,962	2,753

8. Staff costs and Directors' remuneration

No director received remuneration from the company during the period.

One of the directors of the company is also a director of other Teledyne group companies in the United Kingdom. The director received total remuneration for the year of £196,613 (2014 - £197,894), all of which was paid by Teledyne Limited. 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 group, therefore their emoluments are £nil (2014 - £nil).

The average monthly number of employees was:

	2015	2014
	No.	No.
Selling and distribution	1	2
Administration	1	2
Production	14	18
	16	22

	2015	2014
	£	£
Wages and salaries	677,813	1,099,992
Social security costs	69,288	125,810
Other pension costs	22,870	57,611
	759,971	1,283,413

Notes to the financial statements (continued)

at 31 December 2015

9. Taxation

(a) Tax on profit on ordinary activities

	2015 £	2014 £
<i>Current Tax:</i>		
UK Corporation tax	-	124,324
Adjustments in respect of prior periods	12,559	-
Total current tax	12,559	124,324
<i>Deferred Tax:</i>		
Origination and reversal of timing differences	10,215	(21,273)
Tax on profit on ordinary activities	22,774	103,051

(b) Factors affecting current tax charge / (credit)

The company applied for above the line tax treatment of Research and Development expenditure under the HMRC RDEC scheme in 2014. The R&D tax credit in 2015 was £nil. The benefit in 2014 has been offset against R&D expenditure in cost of sales. The current tax charge would have been £nil (2014: £18,273) lower if the accounting treatment was the same as 2013.

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%). The differences are explained below:

	Notes	2015 £	2014 £
Profit on ordinary activities before tax		273,372	708,831
Profit on ordinary activities multiplied by standard rate of Corporation tax in the UK of 20.25% (2014: 21.50%)		55,358	152,399
Expenses not deductible for tax purposes		608	110,131
Fixed asset timing differences		26,277	(7,298)
Adjustments to tax charge in respect of previous periods		12,559	-
Other timing differences		(205)	(2,568)
Group relief received for nil payment		(71,823)	(149,613)
Total tax expense	8(a)	22,774	103,051

Notes to the financial statements (continued)

at 31 December 2015

9. Taxation (continued)

(c) Deferred tax

The deferred tax liability at 31 Dec 2015 at 18.85% (2014: 20.00%) included in the balance sheet is as follows:

	2015 £	2014 £
Accelerated capital allowances	(29,854)	(19,974)
Short term timing differences	1,697	2,032
Deferred tax liability	<u>(28,157)</u>	<u>(17,942)</u>
		£
At 31 December 2014		(17,942)
Profit and loss account		<u>(10,215)</u>
At 31 December 2015		<u>(28,157)</u>

(d) Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 20.25% (2014: 21.50%). 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 18.85%.

Notes to the financial statements (continued)

at 31 December 2015

10. Tangible fixed assets

	<i>Heritable property</i>	<i>Plant and machinery</i>	<i>Fixtures and fittings</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£	£
Cost or valuation:					
At 1 January 2015	1,100,000	272,547	80,845	45,757	1,499,149
Additions	-	19,520	12,974	9,495	41,989
Disposals	-	-	-	(45,757)	(45,757)
At 31 December 2015	<u>1,100,000</u>	<u>292,067</u>	<u>93,819</u>	<u>9,495</u>	<u>1,495,381</u>
Depreciation:					
At 1 January 2015	88,000	190,812	28,548	45,757	353,117
Provided during period	44,000	50,928	21,884	1,780	118,592
Disposals	-	-	-	(45,757)	(45,757)
At 31 December 2015	<u>132,000</u>	<u>241,740</u>	<u>50,432</u>	<u>1,780</u>	<u>425,952</u>
Net book Value:					
At 31 December 2015	<u>968,000</u>	<u>50,327</u>	<u>43,387</u>	<u>7,715</u>	<u>1,069,429</u>
At 31 December 2014	<u>1,012,000</u>	<u>81,735</u>	<u>52,297</u>	<u>-</u>	<u>1,146,032</u>

The net book value of assets held under finance lease was £19,240 (2014: £48,038).

Revaluations

The heritable property class of fixed assets was revalued on 29 November 2012 by J&E Shepherd, Chartered Surveyors. The valuation was prepared in accordance with the Practice statement and Guidance Notes set out in the Royal Institution of Chartered Surveyors (RICS) Valuation Standards 2012 (Eighth Edition). The basis of this valuation was on an open market value basis.

Had it not been revalued, the heritable property would have been included on the historical cost basis as follows:

	<i>2015</i>	<i>2014</i>
	£	£
Cost	484,216	484,216
Cumulative depreciation based on cost	<u>(78,556)</u>	<u>(58,107)</u>
Net book amount	<u>405,660</u>	<u>426,109</u>

Notes to the financial statements (continued)

at 31 December 2015

11. Investments

Shares in group undertakings	<i>Subsidiary undertakings</i>
	£
Cost:	
At 31 December 2015 and 2014	<u>6,914</u>
Impairment:	
At 31 December 2015 and 2014	<u>6,852</u>
Net book value:	
At 31 December 2015 and 2014	<u>62</u>

The company is exempt from preparing consolidated financial statements by virtue of Section 401 of the Companies Act 2006 on the grounds that it is included within the financial statements of a larger group.

The company's principal subsidiary undertakings are highlighted below.

	<i>Class of Share held</i>	<i>Proportion of voting rights held</i>	<i>Nature of business</i>
Teledyne CDL Inc	Ordinary Shares	100%	design and manufacture of oilfield and Shares marine navigation and survey equipment
Teledyne CDL do Brazil	Ordinary Shares	99%	design and manufacture of oilfield and Brazil Shares marine navigation and survey equipment

12. Stocks

	<i>2015</i>	<i>2014</i>
	£	£
Finished Goods	9,057	22,034
Raw Materials	<u>431,596</u>	<u>818,464</u>
	<u>440,653</u>	<u>840,498</u>

Notes to the financial statements (continued)

at 31 December 2015

13. Debtors

	2015	2014
	£	£
Amounts falling due within one year:		
Trade debtors	140,019	1,250,119
Amounts owed by group undertakings	1,943,892	1,610,368
Other debtors	227,711	18,448
Prepayments and accrued income	27,034	23,080
	<u>2,338,656</u>	<u>2,902,015</u>

Amount owned by group undertakings are payable upon demand and bear no interest.

14. Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	45,635	881,104
Amounts owed to group undertakings	39,564	346,530
Corporation tax	-	89,178
Other taxes and social security costs	-	66,838
Other creditors	13,258	6,809
Hire purchase agreements	20,690	20,690
Accruals and deferred income	221,617	219,162
	<u>340,764</u>	<u>1,630,311</u>

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

15. Creditors: amounts falling due after more than one year

	2015	2014
	£	£
Hire purchase agreements	<u>21,268</u>	<u>41,985</u>

The company entered a hire purchase agreement in December 2012 for five years to finance the purchase of a calibration table.

Notes to the financial statements (continued)

at 31 December 2015

16. Provisions for liabilities and charges

	<i>Deferred Tax £</i>	<i>Warranty & Sales £</i>	<i>Total £</i>
At 1 January 2015	17,942	40,280	58,222
Added during the year	10,215	-	10,215
Released during the year	-	(8,087)	(8,087)
At 31 December 2015	<u>28,157</u>	<u>32,193</u>	<u>60,350</u>

Product warranties

The provision for product warranties relates to expected warranty 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 two years of the balance sheet date.

17. Equity share capital

	<i>Authorised 31 December 2015 and 31 December 2014 No.</i>	<i>Allotted, called up and fully paid 31 December 2015 and 31 December 2014 No.</i>
<i>Ordinary Shares of £1 each</i>	<u>5,000</u>	<u>5,000</u>
	<i>£</i>	<i>£</i>
<i>Ordinary shares of £1 each</i>	<u>5,000</u>	<u>5,000</u>

The Company's other reserves are as follows:

The revaluation reserve was created upon revaluation of the company's premises in 2012. The reserve is being amortised in line with the depreciation policy applicable to the premises.

Other reserves represent capital contributions made by the company's holding company to repay outstanding debt balances when the company was acquired by Teledyne Limited.

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

18. Employee benefits

Defined contribution schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the period ended 31 December 2015 was £22,870 (2014: £57,611).

Notes to the financial statements (continued)

at 31 December 2015

19. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<i>2015</i>	<i>2014</i>
	<i>Land and buildings</i>	<i>Land and buildings</i>
	<i>£</i>	<i>£</i>
- within one year	18,285	18,285
- between one and five years	73,140	73,140
- after five years	<u>1,709,648</u>	<u>1,727,933</u>
	<u>1,801,073</u>	<u>1,819,358</u>

20. Ultimate parent undertaking and related parties

The company's immediate parent undertaking is Teledyne Limited. The company's ultimate parent undertaking and controlling party is Teledyne Technologies Incorporated. It has included the company's results 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 has taken advantage of the exemption in section 33 of Financial Reporting Standard 102 from disclosing transactions with related parties that are part of the Teledyne group or investees of the group.

21. Explanation of transition to FRS 102

The Company transitioned to Financial Reporting Standard 102 (FRS 102) as issued by the Financial Reporting Council on 1 January 2015 and the financial statements are presented in accordance with this standard. As a consequence of adopting FRS 102, no accounting policies were required to be changed to comply with that standard and no adjustments were required to prior year results. There was no equity reconciliation required as no adjustments were made to previously disclosed results.