Registered number 01975721

M&P SURVEY EQUIPMENT LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016

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COMPANIES HOUSE

M&P SURVEY EQUIPMENT LIMITED

DIRECTORS

M S Concannon
T Harring

SECRETARY

K Gamble

AUDITORS

McLintocks Partnership Limited
2 Halliards Court
Chester Business Park
CH4 9PX

BANKERS

Skandinaviska Enskilda Banken AB
1 Carter Lane
London EC4V 5AN

REGISTERED OFFICE

Meridian House
Stanney Mill Road
Little Stanney
Ellesmere Port
CH2 4HX

M&P SURVEY EQUIPMENT LIMITED

STRATEGIC REPORT

Registered number 01975721

PRINCIPAL ACTIVITIES

The Company carries out the business of the sale, service and hire of surveying, measuring, positioning and guidance systems. Almost all revenue is in respect of Leica branded products.

RESULTS AND DIVIDENDS

The Company's profit for the financial year was £243,641 (8 month period ended 31 Dec 2015 - £310,784). The directors declared and paid a dividend of £46,522 during the year (2015: £75,000).

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

On 12 January 2016, the Company was acquired by Leica Geosystems AG, a subsidiary of Hexagon AB which itself is headquartered in Stockholm, Sweden. The Company changed its accounting reference period to 31 December to align with other group companies. These financial statements represent the results of the Company over a 12 month period to December 2016, with the previous period's figures covering an 8 month period to December 2015.

The Company continued to see growth in its turnover from the previous year. This growth came mainly from increased activities in the civil engineering and construction segments in connection with government-backed infrastructure projects. The market continued to be very competitive and the reduction in gross margin from 43% to 40% was partially compensated by the growth in turnover.

Inventory decreased to 184 days (2015 - 197 days) and trade debtors were equivalent to 47 days (2015 - 43 days).

The Company has kept close control over operating costs, although the overall results show that these have increased as a proportion against sales from 25.8% to 32.6%. This increase is due to one-off transactions relating to the sale of the company, which when excluded, shows a decrease in the operating costs as a proportion of sales to 24.6%. Overall, operating profit margin decreased from 16.9% to 7.2% principally due to the one-off costs as cited above.

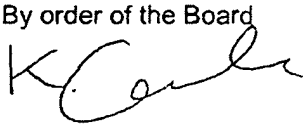
The Company transitioned from UK GAAP to Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and has taken advantage of the disclosure exemptions allowed under the standard. The Company's parent undertaking, Leica Geosystems AG, was notified of and did not object to the use of FRS101.

PRINCIPAL RISKS AND UNCERTAINTIES

Credit risk is managed by agreeing payment terms in advance, including progress and upfront payments. Appropriate credit control procedures are followed in line with group policy to minimise the credit risk. Where credit risk is perceived to be high, customer contracts provide for payments to be made prior to despatch of goods. The Company has taken additional steps to ensure the prompt collection of debt from its customers and distribution partners.

The business levels of the Company are significantly dependent upon levels of economic activity in both the UK and Ireland, particularly in the general construction and infrastructure sectors.

By order of the Board



K Gamble
Secretary

27 June 2017

DIRECTORS' REPORT

Registered number 01975721

The directors present their report and the financial statements for the Company for the year ended 31 December 2016.

DIRECTORS

The directors of the Company throughout the entire year were as follows:

C A Poole (resigned 2 March 2016)
L Poole (resigned 2 March 2016)
M S Concannon (appointed 2 March 2016)
T Harring (appointed 2 March 2016)

DIRECTORS' AND OFFICERS' INDEMNITY PROVISIONS

The Company has made qualifying third party indemnity provisions for the benefit of its directors and officers against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. These remain in force at the date of this report.

EMPLOYEES

The Company actively encourages diversity amongst its workforce and positively makes use of the different ideas, experiences and approaches that a diverse workforce brings. By valuing each individual's contribution and giving everyone an opportunity to realise their full potential, the Company proactively recruits, supports, retrains and develops its employees. The Company makes employee briefing presentations about its progress and discusses issues affecting employees on a regular basis.

Through its equal opportunity policy the Company aims to provide an environment free from unlawful discrimination and harassment and in which everyone is treated with fairness.

During the year average staff numbers decreased by 3.

ENVIRONMENT

The Company adheres to the environmental regulations including WEEE and COSHH. The Company has reviewed its environmental impacts and has worked closely with local waste companies to increase the proportion of goods available for recycling.

DIRECTORS' REPORT (continued)

Registered number 01975721

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 review of the business on page 2 together with the financial position of the Company, results and dividends.

The Company is part of a group of companies that has considerable financial resources and the company has a diversified customer base and suppliers across different geographic areas and industries. The parent company views the UK as a strategically important market and the Company expects the continued support of the group for product innovation and development.

As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook arising from the "Brexit" referendum. The directors have a reasonable expectation that 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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 Financial Reporting Standard 101 '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 judgements and 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 proper 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.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of the Company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

DIRECTORS' REPORT (continued)

Registered number 01975721

AUDITORS

A resolution to reappoint McLintocks Partnership Limited as auditors to the Company will be proposed at the annual general meeting.

By order of the Board

T Harring
Director

27 June 2017

Independent Auditors' Report to the Members of M&P Survey Equipment 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, 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.

Michael Caputo (Senior statutory auditor)
For and on behalf of McLintocks Partnership Limited (Statutory Auditor)
27 June 2017

Independent Auditors' Report to the Members of M&P Survey Equipment Limited

We have audited the financial statements of M&P Survey Equipment Limited for the year ended 31 December 2016 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet 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 Financial Reporting Standard 101 '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 auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 (APB'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 financial and non-financial information in the Strategic Report, Directors' Report and Financial Statements 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 of 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

M&P SURVEY EQUIPMENT LIMITED

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2016

	Note	Year Ended 2016 £	Period 1.05.15 to 31.12.2015 £
TURNOVER	3	4,023,842	2,362,300
Cost of sales	4	2,423,786	1,351,908
GROSS PROFIT		1,600,056	1,010,392
Distribution costs		638,019	333,740
Administrative expenses	4	672,331	276,521
OPERATING PROFIT	4	289,706	400,131
Interest payable	7	5,768	6,631
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		283,938	393,500
Tax on profit on ordinary activities	8	40,297	82,716
PROFIT FOR THE YEAR		243,641	310,784
OTHER COMPREHENSIVE INCOME:			
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		243,641	310,784

All results are derived from continuing activities.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 11 to 22 form part of these financial statements.

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share Capital £	Profit and loss account £	Total Equity £
At 1 May 2015	**10,000**	**980,224**	**990,224**
Profit for the financial period	-	310,784	310,784
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	**-**	**310,784**	**310,784**
Transactions with owners, recorded directly in equity			
Dividends		(75,000)	(75,000)
Total contributions by and distributions to owners		**(75,000)**	**(75,000)**
At 31 December 2015	**10,000**	**1,216,008**	**1,226,008**
Profit for the financial year	-	243,641	243,641
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	**-**	**243,641**	**243,641**
Transactions with owners, recorded directly in equity			
Dividends		(46,522)	(46,522)
Total contributions by and distributions to owners		**(46,522)**	**(46,522)**
At 31 December 2016	**10,000**	**1,413,127**	**1,423,127**

The notes on pages 11 to 22 form part of these financial statements.

M&P SURVEY EQUIPMENT LIMITED

Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	9	81,576	259,689
CURRENT ASSETS			
Stocks	10	1,990,692	1,177,694
Debtors	11	673,558	761,823
Cash at bank and in hand		1,702	265,242
		2,665,952	2,204,759
CREDITORS: amounts falling due within one year	12	(1,316,763)	(1,187,361)
NET CURRENT ASSETS		1,349,189	1,017,398
TOTAL ASSETS LESS CURRENT LIABILITIES		1,430,765	1,277,087
CREDITORS: amounts falling due after more than one year	13	-	(38,665)
PROVISIONS FOR LIABILITES AND CHARGES	15	(7,638)	(12,414)
NET ASSETS		1,423,127	1,226,008
CAPITAL AND RESERVES			
Called up share capital	16	10,000	10,000
Profit and loss account		1,413,127	1,216,008
EQUITY SHAREHOLDER'S FUNDS		1,423,127	1,226,008

Approved by the board for issue on 27 June 2017 and signed on its behalf by:

T Harring
Director

The notes on pages 11 to 22 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 December 2016

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of M&P Survey Equipment Limited (the "Company") for the year ended 31 December 2016 were authorised for issue by the board of directors on 27 June 2017 and the balance sheet was signed on the board's behalf by T Harring. M&P Survey Equipment Limited is incorporated and domiciled in the United Kingdom.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling except when otherwise stated.

The results of M&P Survey Equipment Limited are included in the consolidated financial statements of Hexagon AB which are available from Hexagon AB, PO Box 3692, SE-103 59 Stockholm, Sweden or the Company's website: www.hexagon.com

The principal accounting policies adopted by the Company are set out in note 2.

2. ACCOUNTING POLICIES

2 1. Basis of preparation

The Company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. There were no adjustments arising from transition The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2016.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7 *Financial Instruments: Disclosures*,
(b) the requirements of paragraphs 91 – 99 of IFRS 13 *Fair Value Measurement*,
(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
    (i) paragraph 79(a)(iv) of IAS1;
    (ii) paragraph 73(e) of IAS 16 *Property, Plant and Equipment*,
(d) the requirements of paragraphs 10(d), 10(f), 40(a) – 40(d), 111 and 134-136 of IAS 1 *Presentation of Financial Statements*,
(e) the requirements of IAS 7 *Statement of Cash Flows*,
(f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Estimates and Errors*,
(g) the requirements of paragraphs 17 and 18A of IAS 24 *Related Party Disclosures*, and
(h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2 2. Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements:

2 Accounting Policies (continued)

2 2. Judgements and key sources of estimation and uncertainty (continued)

Operating lease commitments

The Company enters into lease agreements as a lessee for property, plant and equipment. The classification of such leases as operating or finance leases requires the Company to determine, based on evaluations of the arrangements, whether it acquires the significant risks and rewards of ownership and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

2 3. Significant Accounting Policies

Tangible fixed assets

The cost of fixed assets is the purchase cost, plus directly attributable costs. Fixed assets are stated at their historic purchase price less accumulated depreciation and accumulated impairment loss. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Freehold property	2% per annum
Plant and machinery	20% per annum
Fixtures and fittings	10% per annum
Motor vehicles	25% per annum
Computer equipment	15% and 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of significant change since the last reporting date. The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are stated at the lower of cost, including freight and duty where applicable, and net realisable value.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Accounting Policies (continued)

2.3 Significant Accounting Policies (continued)

Foreign currency translation

The Company's financial statements are presented in Sterling, which is also the Company's functional currency.

Foreign currency transactions during the year are translated into Sterling at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities at the year-end are translated at the rates ruling at the balance sheet date and all differences are taken to the profit and loss account.

Trade and other debtors

Trade debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Financial instruments

i) Financial assets and liabilities

Initial Recognition and Measurement
Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Company's financial assets include cash and short-term deposits, and trade and other receivables.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost, less any impairment. Losses arising from impairment are recognised in the profit and loss statement under other operating charges.

Initial Recognition and Measurement
Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable costs.

2. Accounting Policies (continued)

2.3 Significant Accounting Policies (continued)

i) Financial assets and liabilities (continued)

Loans
Loans are initially recognised at the fair value of the proceeds, net of related transaction costs. These transaction costs, and any discount or premium on issue, are subsequently amortised under the effective interest rate method through the income statement as interest over the life of the loan, and added to the liability disclosed in the balance sheet. Related accrued interest is included in the borrowings figure.

Loans are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date.

ii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iii) Fair values

The fair value of financial instruments not traded in active market is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Leased and hired assets

Costs of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Pension contributions

The Company has a defined contribution pension scheme to which it pays set contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, or receivable, excluding discounts, rebates and VAT. The following criteria are also met before revenue is recognised:

Sales of goods
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 that party's receipt of the goods and, where installation of goods is required, where that installation is complete.

2. Accounting Policies (continued)

2.3 Significant Accounting Policies (continued)

Recognition for maintenance contracts
Revenue associated with maintenance contracts is recognised over the period of such contracts according to the Company's partial performance of its obligations. The amount of revenue recognised at a balance sheet date reflects the extent of completion of those contracts.

Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3. TURNOVER

Turnover recognised in the income statement is analysed as follows:

	2016 £'000	Period 1.5.15 to 31.12.15 £'000
Sale and installation of goods	1,738,058	1,043,863
Rendering of after-sales services	338,498	166,393
Rental of goods	1,947,286	1,152,044
	4,023,842	2,362,300

All turnover originated in the United Kingdom. Turnover by destination was principally within the United Kingdom.

4. OPERATING PROFIT

This is stated after charging/(crediting):

	Note	2016 £'000	Period 1.5.15 to 31.12.15 £'000
Stocks recognised as an expense (included in cost of sales)		1,177,694	965,886
Net (decrease)/increase in stock provision (included in cost of sales)		-	-
Gain on disposal of fixed assets		(90,642)	-
Staff costs	5	965,813	464,675
Depreciation of tangible fixed assets	9	37,170	18,575
Operating lease rentals			
- plant and equipment		42,822	29,130
- land and buildings		25,000	-
Auditors' remuneration			
- audit services		5,000	-

Notes to the Financial Statements for the Year Ended 31 December 2016

STAFF COSTS

	2016	Period 1.5.15 to 31.12.15
	£	£
Wages and salaries	690,505	403,664
Social security costs	78,693	29,597
Other pension costs	196,615	31,414
	965,813	464,675

The average monthly number of employees during the period was as follows:

	2016	Period 1.5.15 to 31.12.15
	Number	Number
Marketing, selling, technical service and support	13	14
General and administration	6	8
	19	22

5. DIRECTORS' EMOLUMENTS

	2016	Period 1.5.15 to 31.12.15
	£	£
Total emoluments	2,688	10,752
Total company contributions to pension scheme	194,800	29,730

Two directors received remuneration from the Company in respect of their role as a director. Two directors were paid by another group company because their duties were principally in respect of other group companies.

Retirement benefits for two directors (2015 – two) have accrued in the Company's pension scheme to which the Company contributes.

Freehold property was disposed of during the year to a pension trust, which L Poole and C A Poole, previous directors and former ultimate owners, are beneficiaries. Proceeds of the sale included an in specie pension contribution of £188,740 which has been charged to the profit and loss account in the year.

6. INTEREST PAYABLE

	2016 £	Period 1.5.15 to 31.12.15 £
Other interest payable	5,768	6,631
	5,768	6,631

7. TAXATION

a) Tax charged in the income statement

	2016 £	Period 1.5.15 to 31.12.15 £
Current tax:		
UK corporation tax on profits for the year	45,073	84,535
Adjustments in respect of previous years		
- group relief	-	-
- other	-	-
Total current income tax	45,073	84,535
Deferred tax:		
Original and reversal of temporary differences	(4,776)	(1,819)
Total deferred tax in the income statement	(4,776)	(1,819)
Tax on profit on ordinary activities	40,297	82,716

b) Reconciliation of total tax charge

The tax assessed for the year is lower (2015: lower) than the standard rate of corporation tax in the UK (20%). The differences are explained below:

	2016 £	Period 1.5.15 to 31.12.15 £
Profit on ordinary activities before tax	283,938	393,500
Profit on ordinary activities multiplied by the standard rate of corporation Tax in the UK of 20% (2015: 20%)	56,788	78,700
Effects of:		
Expenses not deductible for tax purposes	573	2,671
Difference between depreciation and capital allowances	5,841	3,164
Origination and reversal of timing differences	(4,776)	(1,819)
(Profit)/loss on disposal of fixed assets	(18,129)	-
Total tax expense reported in the profit and loss account	40,297	82,716

8. TAXATION (continued)

c) Change in corporation tax rate

The UK Corporation tax rate remained at 20% effective 1 April 2015.

d) Deferred tax

The deferred tax included in the balance sheet is as follows:

The deferred tax liability can be analysed as follows:

	2016	2015
	£	£
Capital allowances	7,638	12,414
	7,638	12,414

Reconciliation of the year's change in deferred tax liability

Opening balance	12,414	14,233
Change in tax rate and items pertaining to prior years		
Movement on other temporary differences	(4,776)	(1,819)
Closing balance	7,638	12,414

Deferred tax in the profit and loss account

	2016	2015
	£	£
Accelerated capital allowances	(4,776)	(1,819)
Change in tax laws and rates	-	-
Adjustments in respect of prior periods	-	-
Deferred tax (credit)/expense	(4,776)	(1,819)

9. TANGIBLE FIXED ASSETS

	Land and buildings £	Property improve-ments £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Motor vehicles £	Total £
Cost:							
At 01.01.2016	257,126	-	34,388	56,042	59,172	106,214	512,942
Additions	-	18,448	13,711	5,822	7,756	-	45,737
Disposals	(257,126)	-	(4,557)	(14,358)	(3,369)	(49,491)	(328,901)
At 31.12.2016	-	18,448	43,542	47,506	63,559	56,723	229,778
Depreciation:							
At 01.01.2016	69,390	-	26,019	38,797	49,837	69,210	253,253
Charge for the year	2,536	970	4,962	4,018	5,980	18,704	37,170
Disposals	(71,926)	-	(4,458)	(14,080)	(3,361)	(48,396)	(142,221)
At 31.12.2016	-	970	26,523	28,735	52,456	39,518	148,202
Net book value:							
At 31.12.2016	-	17,478	17,019	18,771	11,103	17,205	81,576
At 01.01.2016	187,736	-	8,369	17,245	9,335	37,004	259,689

10. STOCKS

	2016 £	2015 £
Goods for resale	1,945,396	1,145,428
Service stock	42,549	32,266
Work in progress	2,747	-
	1,990,692	1,177,694

11. DEBTORS

	2016 £	2015 £
Trade debtors	627,605	501,456
Amounts owed by group undertakings	-	201,675
Other debtors	45,953	58,692
	673,558	761,823

Notes to the Financial Statements for the Year Ended 31 December 2016

12. CREDITORS: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdraft	-	-
Hire purchase contracts	-	17,501
Trade creditors	110,432	625,457
Amounts owed to group undertakings	1,084,466	165,842
Taxation and social security	63,011	246,751
Other creditors	58,854	131,810
	1,316,763	1,187,361

The amounts owed by group undertakings include amounts related to group cash pooling arrangements.

13. CREDITORS: amounts falling due more than one year

	2016 £	2015 £
Hire purchase contracts	-	189
Other creditors	-	38,476
	-	38,665

14. Secured debts

	2016 £	2015 £
Stocking loans	20,244	121,849
Hire purchase contracts	-	17,690
	20,244	139,539

Included within other creditors as stocking loans and hire purchase contracts and are secured over the related assets.

15. PROVISIONS FOR LIABILITES AND CHARGES

	Deferred Tax £	Total Provision £
At 1 January 2016:		
Current	-	-
Non-current	12,414	12,414
Credited to the profit and loss account	(4,776)	(4,776)
At 31 December 2016:		
Current	-	-
Non-current	7,638	7,638

16. SHARE CAPITAL

	2016 £	2015 £
Allotted and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

17. OBLIGATIONS UNDER OPERATING LEASES

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2016 £	2015 £
Within one year	66,361	42,822
From two to five years	147,139	63,500
Over five years	106,250	-
	319,750	106,321

Lease periods following the effective dates of break clauses are included to the extent that it is likely that such break clauses will be exercised.

18. ULTIMATE HOLDING COMPANY

Siben Holdings Limited was the ultimate parent company up to 2 March 2016. As from this date, the directors regard Hexagon AB as the ultimate holding company and controlling party. Hexagon AB is also the parent undertaking of the largest and smallest group of which the Company is a member and for which group financial statements are prepared. Copies of the reports and financial statements can be obtained from Hexagon AB, PO Box 3692, SE-103 59 Stockholm, Sweden or the Company's website: www.hexagon.com

The immediate parent undertaking at the balance sheet date was Siben Holdings Limited, a company incorporated in the United Kingdom. On 27 April 2017, Siben Holdings Limited was liquidated and shares in the Company transferred to Leica Geosystems AG, a company incorporated in Switzerland.

19. RELATED PARTY TRANSACTIONS

During the year the Company entered into transactions, in the ordinary course of business, with related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries and its 100% parent company.

Balances with related parties have been disclosed within notes 11 and 12.

All transactions were made on an arm's length basis at full market value.

	2016 £	2015 £
Amount due to related party at the balance sheet date		
L Poole	-	211
C A Poole	-	211

Transactions with directors of the Company during the year have been disclosed within note 5.