

Xi-Tech Limited

Report and Financial Statements

Year Ended

29 March 2013

Company Number 07068708

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Xi-Tech Limited

Report and financial statements for the year ended 29 March 2013

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Director

S C Jaye

Secretary and registered office

S C Jaye, Unit 6A Langley Business Centre, Station Road, Langley, Slough, SL3 8DS

Company number

07068708

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Xi-Tech Limited

Report of the director for the year ended 29 March 2013

The director presents his report together with the audited financial statements for the year ended 29 March 2013

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year

It was agreed by the director that no dividends were issued during the year

Principal activities, review of business and future developments

The company is a holding company and the group's principal activity is the development, manufacture and marketing of a range of sensor detection modules and systems that cover a variety of wavelengths across the electro-magnetic spectrum. It also carries out the development, manufacture and marketing of high voltage power supplies to support the markets of the above.

Research and development work has continued to be focused on three main product areas

- X-ray detection systems, with an aim to maintain cost competitive products, whilst continuing to develop increased levels of functionality and provide custom solutions in all areas, including CT, Multi-view and linear x-ray systems
- Detector modules development continued to be customer specific and provided modules that are compact, high performance and low noise. Specifically being developed to interface with customer systems with ease
- Power supply developments has continued to be project specific and has extended into a great number of application areas

Key performance indicators

On a month by month basis the group reviews the sales budget for progress against targets. The predicted sales to year end are re-calculated and actions taken as necessary to cover any shortfall. Additionally decisions are made on resources to cover any gains.

Stock, including provisions, is analysed at the end of each month, with significant variations documented and actions taken as necessary to resolve any issues.

Manufacturing costs are also monitored on a monthly basis, including materials and labour, with variations analysed and reviewed to understand the impact on the business and any activity required to correct negative variances.

Principal risks and uncertainties

The market for the group's primary products continues to be highly competitive with respect to technology, cost and timescale.

With the recent introduction of new, higher performing and more flexible electronics in the X-ray product area and the addition of high channel count detectors for CT applications, the group is providing a greater depth of products to support our customers needs for improvements in their systems.

Timescales will be managed through tight project management disciplines and product costs remain a principal activity in the product development lifecycle to ensure our competitive financial position is maintained.

Xi-Tech Limited

Report of the director for the year ended 29 March 2013 (continued)

Research and development

Research and development work is being increased to support the group's desire to extend the current product range and continues to support a level appropriate to a high-technology business

Financial risk management

The Board regularly reviews the financial requirements of the company and the group and the risks associated therewith. Company and group operations are financed from retained earnings and available external funds. The group does not use complicated financial instruments or any financial derivative instruments for trading purposes.

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers, obtaining payments in advance where necessary and the constant monitoring of all outstanding debts.

Foreign exchange gains and losses result from the requirement to correct dollar, euro and yen working capital balances into sterling when preparing the financial statements. Gains and losses are dictated by movements in the exchange rates of these currencies.

Directors' and officers' liability insurance

The company has maintained insurance to cover directors' and officers' liability.

Director

The director of the company during the year was

S C Jaye

Director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. The director is 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.

Xi-Tech Limited

Report of the director for the year ended 29 March 2013 (*continued*)

Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



S C Jaye
Director

5/11/2013

Xi-Tech Limited

Independent auditor's report

To the members of Xi-Tech Limited

We have audited the financial statements of Xi-Tech Limited for the year ended 29 March 2013 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. 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).

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 statement of director's responsibilities, the director is 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 29 March 2013 and of the group'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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Xi-Tech Limited

Independent auditor's report (*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 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



George Brooks (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

5/11/2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Xi-Tech Limited

Consolidated profit and loss account for the year ended 29 March 2013

	Note	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Turnover	2	6,804	8,032
Cost of sales		3,872	5,190
		<u> </u>	<u> </u>
Gross profit		2,932	2,842
Distribution costs		200	235
Administrative expenses		391	937
		<u> </u>	<u> </u>
Group operating profit	3	2,341	1,670
Other interest receivable and similar income		13	9
Interest payable and similar charges	6	-	(31)
		<u> </u>	<u> </u>
Profit on ordinary activities before taxation		2,354	1,648
Taxation on profit on ordinary activities	7	484	311
		<u> </u>	<u> </u>
Profit on ordinary activities after taxation		1,870	1,337
		<u> </u>	<u> </u>

All amounts relate to continuing activities

All recognised gains and losses in the current year and prior period are included in the profit and loss account

The notes on pages 10 to 23 form part of these financial statements

Xi-Tech Limited

Consolidated balance sheet at 29 March 2013

<i>Company number 07068708</i>	Note	29 March 2013 £'000	29 March 2013 £'000	30 March 2012 £'000	30 March 2012 £'000
Fixed assets					
Tangible assets	11		12		22
Current assets					
Stocks	13	881		814	
Debtors	14	1,340		1,442	
Cash at bank and in hand		3,557		1,944	
		<u>5,778</u>		<u>4,200</u>	
Creditors amounts falling due within one year	15	<u>1,186</u>		<u>1,488</u>	
Net current assets			<u>4,592</u>		<u>2,712</u>
Total assets less current liabilities			<u>4,604</u>		<u>2,734</u>
Capital and reserves					
Called up share capital	17		10		10
Profit and loss account	18		4,594		2,724
Shareholders' funds	19		<u>4,604</u>		<u>2,734</u>

The financial statements were approved by the director and authorised for issue on 5/11/2013.


S C Jaye
Director

The notes on pages 10 to 23 form part of these financial statements

Xi-Tech Limited

Company balance sheet at 29 March 2013

Company number 07068708	Note	29 March 2013 £'000	29 March 2013 £'000	30 March 2012 £'000	30 March 2012 £'000
Fixed assets					
Fixed asset investments	12		1,559		1,559
Current assets					
Debtors	14	370		102	
Cash at bank and in hand		42		56	
		<u>412</u>		<u>158</u>	
Creditors amounts falling due within one year	15	<u>170</u>		<u>509</u>	
Net current assets/(liabilities)			<u>242</u>		<u>(351)</u>
Total assets less current liabilities			<u>1,801</u>		<u>1,208</u>
Capital and reserves					
Called up share capital	17		10		10
Profit and loss account	18		1,791		1,198
Shareholders' funds	19		<u>1,801</u>		<u>1,208</u>

The financial statements were approved by the director and authorised for issue on 5/11/2013



S C Jaye
Director

The notes on pages 10 to 23 form part of these financial statements

Xi-Tech Limited

Consolidated cashflow statement for the year ended 29 March 2013

	Note	Year ended 29 March 2013 £'000	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000	Year ended 30 March 2012 £'000
Net cash inflow from operating activities	22		1,930		2,504
Returns on investments and servicing of finance					
Interest received		13		9	
Interest paid bank loans		-		(19)	
Interest paid other loans		-		(12)	
Net cash inflow/(outflow) from returns on investments and servicing of finance			13		(22)
Taxation					
Corporation tax paid			(332)		(559)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		-		(9)	
Receipts from sale of tangible fixed assets		-		5	
Net cash outflow from capital expenditure and financial investment			-		(4)
Cash inflow before use of financing			1,611		1,919
Financing					
Bank loans repaid		-		(695)	
Capital element of finance leases repaid		-		(6)	
Issue of new preference shares		-		(275)	
Director's loan funding		-		(190)	
Other loan		-		(100)	
Net cash outflow from financing			-		(1,266)
Increase in cash	23		1,611		653

The notes on pages 10 to 23 form part of these financial statements

Xi-Tech Limited

Notes forming part of the financial statements for the year ended 29 March 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

The following principal accounting policies have been applied

Basis of consolidation

The consolidated financial statements incorporate the results of Xi-Tech Limited and all of its subsidiary undertakings as at 29 March 2013 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

Goodwill

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the director's estimate of its useful economic life. Impairment tests on the carrying value of goodwill are undertaken

- at the end of the first full financial year following acquisition,
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised when goods are delivered in full according to specification to customers.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 10-20% on cost
Motor vehicles	- 33 1/3% on cost
Fixtures and fittings	- 10-33 1/3% on cost

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

Impairment of fixed assets

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of realisable value and value in use.

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first in, first out basis and includes all direct expenditure and production overheads appropriate to bring stock and work in progress to their condition and location at the balance sheet date. Net realisable value is the price at which the stock can be realised in the normal course of business. Provision is made for obsolete, slow moving and defective stock.

Xi-Tech Limited

Notes forming part of the financial statements for the year ended 29 March 2013 (continued)

1 Accounting policies (continued)

Foreign currency

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the year and the balance sheet translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

All other differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings used to finance or provide a hedge against foreign equity investments, which are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises. Tax charges or credits that are directly and solely attributable to such exchange differences are also taken to reserves.

Finance costs

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Dividends on shares wholly recognised as liabilities are recognised as expenses and classified within interest payable.

Research and development

Research and development expenditure is written off in the period in which it is incurred. Funding received for such revenue expenditure is credited to revenue so as to match the related expenditure.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Xi-Tech Limited

Notes forming part of the financial statements for the year ended 29 March 2013 (*continued*)

1 Accounting policies (*continued*)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

Contributions to the group's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Replacement under guarantee

Provision is made for the estimated outstanding liability for replacement under guarantees and other warranties given to purchasers of the company's products.

2 Turnover

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Analysis by geographical market		
United Kingdom	265	416
USA	1,614	1,666
Export other than USA	4,925	5,950
	<u>6,804</u>	<u>8,032</u>

Turnover is wholly attributable to the principal activity of the group.

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (continued)

3 Operating profit

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
This is arrived at after charging		
Research and development - current year's expenditure	258	319
Depreciation of tangible fixed assets	10	12
Hire of plant and machinery - operating leases	-	3
Hire of other assets - operating leases	128	148
Exchange differences	78	14
	<u> </u>	<u> </u>
	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Fees payable to the company's auditor for the auditing of the company's annual accounts	22	21
Fees payable to the company's auditor for other services	11	11
	<u> </u>	<u> </u>

4 Employees

Staff costs (including directors) consist of

	Group Year ended 29 March 2013 £'000	Group Year ended 30 March 2012 £'000
Wages and salaries	845	1,156
Social security costs	112	112
Other pension costs	143	138
	<u> </u>	<u> </u>
	1,100	1,406
	<u> </u>	<u> </u>

Xi-Tech Limited

Notes forming part of the financial statements for the year ended 29 March 2013 (continued)

4 Employees (continued)

The average number of employees (including directors) during the year/period was as follows

	Group Year ended 29 March 2013 Number	Group Year ended 30 March 2012 Number
Production and development	19	20
Selling and distribution	2	3
Administration	5	7
	<u>26</u>	<u>30</u>

5 Director's remuneration

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Director's emoluments	102	100
Company contributions to money purchase pension schemes	50	47
	<u>152</u>	<u>147</u>

There was 1 director in the group's defined contribution pension scheme during the year (2012 - 1)

6 Interest payable and similar charges

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Bank loans and overdrafts	-	19
Preference share dividend	-	12
	<u>-</u>	<u>31</u>

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

7 Taxation on profit on ordinary activities

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
<i>UK Corporation tax</i>		
Current tax on profits of the year/period	469	354
Adjustment in respect of previous periods	(7)	(6)
	<u>462</u>	<u>348</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	22	(37)
	<u>22</u>	<u>(37)</u>
Taxation on profit on ordinary activities	<u>484</u>	<u>311</u>

The tax assessed for the year/period is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Profit on ordinary activities before tax	2,354	1,648
	<u>2,354</u>	<u>1,648</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 24.02% (2012 - 26.03%)	565	429
Effect of:		
Expenses not deductible for tax purposes	34	3
Depreciation for period in excess of capital allowances	2	-
Adjustment to tax charge in respect of previous periods	(7)	(6)
Tax credit in respect of research and development costs	(115)	(122)
Overseas losses not utilised	-	8
Other timing differences	(17)	42
Marginal relief	-	(6)
	<u>462</u>	<u>348</u>
Current tax charge for the year/period	<u>462</u>	<u>348</u>

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

8 Dividends

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Other shares		
Final dividend paid of £Nil (2012 - £0 04) per share	-	12

The preference dividend that was paid during the previous period is shown as an interest expense in line with requirements of FRS 25. All preference shares were redeemed during the year ended 30 March 2012.

9 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group profit for the year includes a profit after tax of £685,000 (2012 - £63,000 loss) which is dealt with in the financial statements of the parent company.

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

10 Intangible fixed assets

Group

	Goodwill on consolidation £'000
<i>Cost</i>	
At 31 March 2012 and 29 March 2013	297
<i>Amortisation</i>	
At 31 March 2012 and 29 March 2013	297
<i>Net book value</i>	
At 30 March 2012 and 29 March 2013	-

11 Tangible fixed assets

Group

	Plant and machinery £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
<i>Cost or valuation</i>				
At 31 March 2012 and 29 March 2013	33	4	56	93
<i>Depreciation</i>				
At 31 March 2012	31	1	39	71
Provided for the year	-	1	9	10
At 29 March 2013	31	2	48	81
<i>Net book value</i>				
At 29 March 2013	2	2	8	12
At 30 March 2012	2	3	17	22

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

12 Fixed asset investments

Company

	Group undertakings £'000
<i>Cost</i>	
At 31 March 2012 and 29 March 2013	1,559

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the year end is 20% or more are as follows

<i>Subsidiary undertakings</i>	Country of incorporation or registration	Class of share capital held	Nature of business
Sens-Tech Limited	England and Wales	100%	Assembles and markets detector modules
Electron Tubes Inc	United States of America	100%	Markets detector modules

13 Stocks

	Group 29 March 2013 £'000	Group 30 March 2012 £'000	Company 29 March 2013 £'000	Company 30 March 2012 £'000
Raw materials and consumables	677	678	-	-
Work in progress	115	103	-	-
Finished goods and goods for resale	89	33	-	-
	881	814	-	-

There is no material difference between the replacement cost of stocks and the amounts stated above

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

14 Debtors

	Group 29 March 2013 £'000	Group 30 March 2012 £'000	Company 29 March 2013 £'000	Company 30 March 2012 £'000
Amounts receivable within one year				
Trade debtors	1,102	1,107	-	-
Amounts owed by group undertakings	-	-	289	-
Other debtors	128	143	6	2
Prepayments and accrued income	20	55	-	-
Deferred taxation	15	37	-	-
	<u>1,265</u>	<u>1,342</u>	<u>295</u>	<u>2</u>
Amounts receivable after more than one year				
Other debtors	75	100	75	100
	<u>75</u>	<u>100</u>	<u>75</u>	<u>100</u>
Total debtors	<u>1,340</u>	<u>1,442</u>	<u>370</u>	<u>102</u>

	Group Deferred taxation £'000	Company Deferred taxation £'000
At 31 March 2012	37	-
Charged to profit and loss account	(22)	-
	<u>15</u>	<u>-</u>
Credited to the profit and loss account and at 29 March 2013	<u>15</u>	<u>-</u>

Deferred taxation

	Group 29 March 2013 £'000	Group 30 March 2012 £'000
The amount of deferred tax provided for is as follows		
Accelerated capital allowances	-	(2)
Other timing differences	15	39
	<u>15</u>	<u>37</u>

Amounts owed to group undertakings are repayable at the discretion of the director

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

15 Creditors amounts falling due within one year

	Group 29 March 2013 £'000	Group 30 March 2012 £'000	Company 29 March 2013 £'000	Company 30 March 2012 £'000
Bank overdrafts (secured)	2	-	-	-
Trade creditors	406	506	-	-
Amounts owed to group undertakings	-	-	-	488
Corporation tax	209	79	170	21
Other taxation and social security	87	141	-	-
Other creditors	180	323	-	-
Accruals and deferred income	302	439	-	-
	<u>1,186</u>	<u>1,488</u>	<u>170</u>	<u>509</u>

16 Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge amounted to £143,000 (2012 - £138,000). Contributions amounting to £22,014 (2012 - £82,377) were payable to the fund and are included in creditors.

17 Share capital

	29 March 2013 £'000	30 March 2012 £'000
<i>Allotted, called up and fully paid</i>		
10,000 ordinary shares of £1 each	<u>10</u>	<u>10</u>

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

18 Reserves

Group

Profit and
loss account
£'000

At 31 March 2012	2,724
Profit for the year	1,870
At 29 March 2013	4,594

Company

Profit and
loss account
£'000

At 31 March 2012	1,198
Profit for the year	593
At 29 March 2013	1,791

19 Reconciliation of movements in shareholders' funds

	Group 29 March 2013 £'000	Group 30 March 2012 £'000	Company 29 March 2013 £'000	Company 30 March 2012 £'000
Profit/(loss) for the year/period	1,870	1,337	593	(62)
Opening shareholders' funds	2,734	1,397	1,208	1,270
Closing shareholders' funds	4,604	2,734	1,801	1,208

Xi-Tech Limited

Notes forming part of the financial statements for the year ended 29 March 2013 (continued)

20 Commitments under operating leases

The group had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 29 March 2013 £'000	Land and buildings 30 March 2012 £'000
Operating leases which expire		
In two to five years	74	-
After five years	-	67

21 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with its wholly owned subsidiaries

During the year the company continued to loan funds and provide management services to Agena Recruitment Ltd, a company in which S Jaye is a shareholder and the ultimate controlling party. The amount of loan outstanding at the year end is £200,000 (2012 - £100,000) and a provision of £125,000 has been made against this sum. Interest continues to be charged on the outstanding balance at a commercial rate.

22 Reconciliation of operating profit to net cash inflow from operating activities

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Operating profit	2,341	1,670
Depreciation of tangible fixed assets	10	12
Profit on sale of tangible fixed assets	-	(1)
(Increase)/decrease in stocks	(67)	342
Decrease in debtors	80	1,114
Decrease in creditors	(434)	(633)
Net cash inflow from operating activities	1,930	2,504

Xi-Tech Limited

Notes forming part of the financial statements
for the year ended 29 March 2013 (*continued*)

23 Reconciliation of net cash flow to movement in net funds

	Year ended 29 March 2013 £'000	Year ended 30 March 2012 £'000
Increase in cash	1,611	653
Cash inflow from changes in debt	-	701
Movement in net funds	1,611	1,354
Opening net funds	1,944	590
Closing net funds	3,555	1,944

24 Analysis of net funds

	At 31 March 2012 £'000	Cash flow £'000	At 29 March 2013 £'000
Cash at bank and in hand	1,944	1,613	3,557
Bank overdrafts	-	(2)	(2)
Total	1,944	1,611	3,555

25 Controlling party

The group is controlled by S Jaye by virtue of his shareholding