

Xi-Tech Limited

Report and Financial Statements

Year Ended

25 March 2016

Company Number 07068708

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Xi-Tech Limited

Report and financial statements for the year ended 25 March 2016

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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

Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD

Bankers

HSBC PLC, HBEU Apex Plaza, Forbury Road, Reading, RG1 1AX

Xi-Tech Limited

Strategic report for the year ended 25 March 2016

The director presents his Strategic Report together with the audited financial statements for the year ended 25 March 2016.

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. This includes CT, Multi-view and linear X-ray systems.
- Detector module development continued to be customer specific and provided modules that are compact, high performance and low noise. These are specifically being developed to interface with customer systems with ease.
- Power supply developments have continued to be project specific and have been extended into a greater 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. Additional 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

Strategic report for the year ended 25 March 2016 (*continued*)

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. 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 translate 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.

On behalf of the board



S C Jaye
Director

Date: 28 September 2016

Xi-Tech Limited

Director's Report for the year ended 25 March 2016

The director presents his report together with the audited consolidated financial statements for the year ended 25 March 2016.

Results and dividends

The Statement of Comprehensive Income is set out on page 7 and shows the profit for the year.

During the year, dividends of £4,200,000 were declared of which £2,200,000 were paid (2015: £600,000).

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 be at a level appropriate to a high-technology business.

Director's and officer's liability insurance

The company has maintained insurance to cover director's and officer's liability.

Director

The director has held office since 28 March 2015 up to the date of this report;

S C Jaye

Director's responsibilities statement

UK 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, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 him to ensure that the financial statements comply with the Companies Act 2006. The director is also responsible for the system of internal controls, 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

Directors' Report for the year ended 25 March 2016 (continued)

Employees

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Employee involvement

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests. All employees are aware of the financial and economic performance of their business units and of the Group as a whole.

Disclosure of information to the auditor

So far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information, and taken such other steps for that purpose, as were required by his duty as director of the company to exercise due care, skill and diligence.

Auditor

It is proposed that Mazars LLP will continue in office in accordance with the Companies Act 2006 section 487(2).

On behalf of the board



S C Jaye
Director

Date: 28 September 2016

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 25 March 2016 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland".

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Director's Responsibilities set out on page 3 the director is responsible for the preparation of 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. 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 member 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 member as a body for our audit work, for this report, or for the opinions we have formed.

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 25 March 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

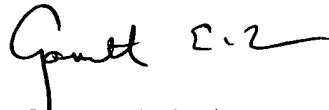
Xi-Tech Limited

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.



Gareth Jones (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 28 September 2016

Xi-Tech Limited

Consolidated Statement of Comprehensive Income for the year ended 25 March 2016

	Notes	2016 £'000	2015 £'000
Turnover	4, 5	11,329	7,481
Operating expenses		(7,599)	(4,555)
Gross profit		3,730	2,926
Distribution costs		(168)	(144)
Administrative expenses		(660)	(115)
Operating profit	6	2,902	2,667
Interest receivable and similar income	9	51	22
Profit on ordinary activities before taxation		2,953	2,689
Taxation on profit on ordinary activities	10	(399)	(435)
Profit on ordinary activities after taxation		2,554	2,254
Other Comprehensive Income			
- None		-	-
Total comprehensive income for the year attribute to owners of the parent		2,554	2,254

The income statement has been prepared on the basis that all operations are continuing.

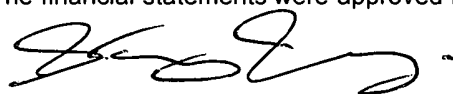
The notes on pages 13 to 24 form part of these financial statements.

Xi-Tech Limited
Company number 07068708

Consolidated Statement of Financial Position
at 25 March 2016

	Notes	2016 £'000	2015 £'000
Fixed assets			
Tangible fixed assets	13	10	2
Deferred Taxation	18	55	22
		<u>65</u>	<u>24</u>
Current assets			
Stocks	15	1,315	1,163
Debtors	16	2,775	1,391
Cash at bank and in hand		6,884	7,000
		<u>10,974</u>	<u>9,554</u>
Creditors: amounts falling due within one year	17	<u>(4,785)</u>	<u>(1,678)</u>
Net current assets		<u>6,189</u>	<u>7,876</u>
Total assets less current liabilities		<u>6,254</u>	<u>7,900</u>
Net assets		<u>6,254</u>	<u>7,900</u>
Capital and reserves			
Called up share capital	21	10	10
Profit and loss account	20	6,244	7,890
Shareholder's funds		<u>6,254</u>	<u>7,900</u>

The financial statements were approved by the director and authorised for issue on 28 September 2016.



S C Jaye
Director

The notes on pages 13 to 24 form part of these financial statements.

Xi-Tech Limited

Company Statement of Financial Position at 25 March 2016

Company number 07068708

	Notes	2016 £'000	2015 £'000
Fixed assets			
Fixed asset investments	14	1,559	1,559
		<u>1,559</u>	<u>1,559</u>
Current assets			
Debtors	16	487	810
Cash at bank and in hand		1,101	2,151
		<u>1,588</u>	<u>2,961</u>
Creditors: amounts falling due within one year	17	<u>(2,137)</u>	<u>(94)</u>
Net current (liabilities)/assets		<u>(549)</u>	<u>2,867</u>
Total assets less liabilities		<u>1,010</u>	<u>4,426</u>
Net assets		<u>1,010</u>	<u>4,426</u>
Capital and reserves			
Called up share capital	21	10	10
Profit and loss account	20	1,000	4,416
Shareholder's funds		<u>1,010</u>	<u>4,426</u>

The financial statements were approved by the director and authorised for issue on 28 September 2016.



S C Jaye
Director

The notes on pages 13 to 24 form part of these financial statements.

Xi-Tech Limited

Consolidated Statement of Changes in Equity for the year ended 25 March 2016

		Called up share capital £'000	Profit and loss account £'000	Total Equity £'000
	Note			
Balance as at 29 March 2014		10	6,236	6,246
Profit for the year		-	2,254	2,254
Other comprehensive income		-	-	-
Total comprehensive income		-	2,254	2,254
Dividends paid	11	-	(600)	(600)
At 27 March 2015		10	7,890	7,900
Profit for the year		-	2,554	2,554
Other comprehensive income		-	-	-
Total comprehensive income		-	2,554	2,554
Dividends paid	11	-	(4,200)	(4,200)
At 25 March 2016		10	6,244	6,254

The Profit and loss account reserve represents cumulative profits and losses of the Group.

Xi-Tech Limited

Company Statement of Changes in Equity for the year ended 25 March 2016

		Called up share capital £'000	Profit and loss account £'000	Total Equity £'000
	Note			
Balance as at 29 March 2014		10	4,366	4,376
Profit for the year		-	650	650
Other comprehensive income		-	-	-
Total comprehensive income		-	650	650
Dividends paid	11	-	(600)	(600)
At 27 March 2015		10	4,416	4,426
Profit for the year		-	784	784
Other comprehensive income		-	-	-
Total comprehensive income		-	784	784
Dividends paid	11	-	(4,200)	(4,200)
At 25 March 2016		10	1,000	1,010

The Profit and loss account reserve represents cumulative profits and losses of the Company

Xi-Tech Limited

Consolidated Statement of Cash Flows for the year ended 25 March 2016

	Note	2016 £'000	2015 £'000
Cash flows from operating activities			
Profit before income tax		2,953	2,689
Adjustments for:			
- Depreciation for plant and equipment		3	6
- Interest received		(51)	(22)
Operating cash flows before working capital changes		2,905	2,673
Changes in operating assets and liabilities;			
Increase in inventories		(152)	(211)
Increase in trade and other receivables		(1,384)	(105)
Increase in trade and other payables		3,095	501
Cash generated from operations		1,559	185
Interest received		51	22
Income tax paid		(420)	(456)
Net cash generated from operating activities		4,095	2,424
Cash flows from investing activities			
Purchase of plant and equipment		(11)	-
Net cash used in investing activities		(11)	-
Cash flows from financing activities			
Dividends paid		(4,200)	(600)
Net cash used in financing activities		(4,200)	(600)
Net (decrease)/increase cash and cash equivalents		(116)	1,824
Cash and cash equivalents at beginning of the year		7,000	5,176
Cash and cash equivalent at end of the year		6,884	7,000

The notes on pages 13 to 24 form part of these financial statements.

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016

1 General Information

Xi-Tech Limited is a company limited by shares, incorporated in England and Wales. Its registered office is Unit 6A Langley Business Centre, Station Road, Langley, Slough, SL3 8DS. The financial statements have been prepared for Xi-Tech Limited entity for the year ended 25 March 2016 using sterling as the presentation current and rounded to the nearest pound.

2 Basis of preparation

These financial statements for the year ended 25 March 2016 have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") issued by the Financial Reporting Council, and the Companies Act 2006. The financial statements have been prepared on the historical cost basis unless otherwise stated.

These are the company's first set of financial statements prepared in accordance with FRS 102. Refer to note 25 for an explanation of the transition.

3 Critical accounting judgments and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectively involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

Critical judgements in applying the accounting policies

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

(ii) Work in Progress

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. There have been no indicators of at the year-end that the WIP balance is misstated in the year.

(iii) Provisions

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

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 *(continued)*

3 Critical accounting judgments and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Accounting policies

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 25 March 2016 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

Going Concern

These financial statements have been prepared on a going concern basis.

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.

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 to the Consolidated Financial Statements for the year ended 25 March 2016 (*continued*)

4 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 Statement of financial position date. Any differences are taken to the Statement of comprehensive income.

The results of overseas operations are translated at the average rates of exchange during the year and the Statement of financial position translated into sterling at the rates of exchange ruling on the Statement of financial position 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 Statement of Comprehensive Income 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.

Taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 to the Consolidated Financial Statements for the year ended 25 March 2016 (*continued*)

4 Accounting policies (*continued*)

Leasing

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the lease. The aggregate benefit of lease incentives is recognised as a reduction to the rental expense over the lease term on a straight-line basis.

Pension costs

Contributions to the group's defined contribution pension scheme are charged to the Statement of Comprehensive Income 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.

Tangible fixed assets

Tangible fixed assets are initially recognised at cost, which is the purchase price plus any directly attributable costs. Subsequently, tangible fixed assets are measured at cost less depreciation and impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Equity and reserves

Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current and prior period retained profits.

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (continued)

4 Accounting policies (continued)

Financial assets – classified as basic financial instruments

(i) Trade and other debtors

Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Amounts that are receivable within one year are measured at the undiscounted amount of the amount expected to be receivable, net of any impairment. Amounts recoverable on contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on amount. Excess progress payments are included in creditors as payments on account.

Where a financial asset constitutes a financing transaction it is initially measured at the present value of the future payments, discounted at a market rate of interest.

At the each reporting date, the Company assesses whether there is objective evidence that any financial asset amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

(i) Trade and other creditors

Trade and other creditors are initially measured at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Amounts that are payable within one year are measured at the undiscounted amount of the amount expected to be payable.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

5 Turnover

Analysis by geographical market:

	2016 £'000	2015 £'000
United Kingdom	281	187
USA	1,423	1,094
China	4,349	1,668
Rest of the World	5,276	4,532
	<u>11,329</u>	<u>7,481</u>

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

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 *(continued)*

6 Operating profit

The operating profit on ordinary activities before taxation is stated after charging/(crediting):

	2016 £'000	2015 £'000
Research and development costs	601	368
Depreciation of tangible fixed assets	3	6
Hire of other assets – operating leases	124	123
Fees payable to the company's auditor for the auditing of the company's annual accounts	10	9
Fees payable to the company's auditor for all other services	3	3
Warranty Provision expense	230	57
Dilapidation Provision expense	48	48
Gain on foreign exchange differences	(113)	(504)
	<u> </u>	<u> </u>

7 Wages and salaries

Costs related to wages and salaries are as follows:

	2016 £'000	2015 £'000
Wages and salaries	1,228	947
Social security costs	142	106
Other pension costs (Note 19)	119	106
	<u> </u>	<u> </u>
	<u>1,489</u>	<u>1,159</u>

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

	2016 Number	2015 Number
Production and development	16	16
Selling and distribution	1	1
Administration	6	5
	<u> </u>	<u> </u>
	<u>23</u>	<u>22</u>

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (*continued*)

8	Director's remuneration	2016 £'000	2015 £'000
	Director's emoluments	600	350
	Company contributions to money purchase pension schemes	47	40
		<u>647</u>	<u>390</u>

There was one director in the company's defined contribution pension scheme during the year (2015 - 1). As there is only one director all remuneration is due to the one director.

Key management personnel

Key management personnel comprise the director as well as members of the senior management board. Their aggregate remuneration for the year was £647,000 (2015: £390,000).

9	Interest receivable and similar income	2016 £'000	2015 £'000
	Bank interest receivable	<u>51</u>	<u>22</u>

10	Taxation on profit on ordinary activities	2016 £'000	2015 £'000
	<i>UK Corporation tax</i>		
	Current tax on profits of the year	432	440
	Adjustment in respect of previous periods	-	-
	Total current tax	<u>432</u>	<u>440</u>
	<i>Deferred tax</i>		
	Origination and reversal of timing differences	<u>(33)</u>	<u>(5)</u>
	Taxation on profit on ordinary activities	<u>399</u>	<u>435</u>

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (continued)

10 Taxation on profit on ordinary activities (continued)

The tax assessed for the year is lower than (2015 – lower than) the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2016 £'000	2015 £'000
Profit on ordinary activities before taxation	2,953	2,689
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20.01% (2015: 21.02%)	591	565
<i>Factors affecting the tax charge for the year:</i>		
Expenses not deductible for tax purposes	-	-
Capital allowances for period in deficit/(excess) of depreciation	-	1
Adjustment to tax charge in respect of previous periods	(1)	1
Tax credit in respect of research and development costs	(197)	(131)
Other timing differences	-	4
Adjustment for deferred tax	6	(5)
Current tax charge for the year	399	435

11 Dividends

	2016 £'000	2015 £'000
Ordinary dividend paid of £420 per share (2015: £60 per share)	4,200	600
	4,200	600

12 Profit for the financial year

As a consolidated profit and loss account is published, a separate statement for the parent company is omitted from the Group financial statements by virtue of section 408 of the Companies Act 2006. The parent company's result for the year was £784,093 (2015: £650,264).

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (continued)

13 Tangible fixed assets

Group	Plant & machinery £'000	Fixtures & fittings £'000	Total £'000
<i>Cost</i>			
At 28 March 2015	33	61	94
Additions	-	11	11
At 25 March 2016	33	72	105
<i>Depreciation</i>			
At 28 March 2015	33	59	92
Charge for the year	-	3	3
At 25 March 2016	33	62	95
<i>Net book value</i>			
At 25 March 2016	-	10	10
At 28 March 2015	-	2	2

14 Fixed asset investments

Company	Group Undertakings £'000
<i>Cost</i>	
At 27 March 2015 and at 25 March 2016	1,559
<i>Subsidiary undertakings, associated undertakings and other investments</i>	

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

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

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (continued)

15 Stocks

	Group 2016 £'000	Group 2015 £'000	Company 2016 £'000	Company 2015 £'000
Raw materials and consumables	799	836	-	-
Work in progress	440	226	-	-
Finished goods and goods for resale	76	101	-	-
	<u>1,315</u>	<u>1,163</u>	<u>-</u>	<u>-</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.
No inventory has been pledged as security in the current or prior year.

16 Debtors: amounts falling within one year

	Group 2016 £'000	Group 2015 £'000	Company 2016 £'000	Company 2015 £'000
Trade debtors	2,250	1,099	-	-
Amounts owed by group undertakings	-	-	487	810
Other debtors	460	271	-	-
Prepayments and accrued income	65	21	-	-
	<u>2,775</u>	<u>1,391</u>	<u>487</u>	<u>810</u>

17 Creditors: amounts falling within one year

	Group 2016 £'000	Group 2015 £'000	Company 2016 £'000	Company 2015 £'000
Trade creditors	1,791	918	-	-
Corporation Tax	204	193	137	94
Other taxation and social security	68	68	-	-
Other creditors	2,327	183	2,000	-
Accruals and deferred income	395	316	-	-
	<u>4,785</u>	<u>1,678</u>	<u>2,137</u>	<u>94</u>

No securities were provided over creditors during the current or prior year.

Xi-Tech Limited

Notes to the Consolidated Financial Statements the year ended 25 March 2016 (*continued*)

18 Deferred Taxation

The provision has been calculated at the standard rate of 20% (2015:20%), which is expected future rate of tax for the company enacted at the balance sheet date. The provision for deferred taxation consists of the following amounts:

	Group Deferred taxation £'000	Company Deferred taxation £'000
At 27 March 2015	22	-
Credited to profit and loss account	33	-
	<u>55</u>	<u>-</u>
At 25 March 2016	<u>55</u>	<u>-</u>
Deferred Taxation Asset	2016 £'000	2015 £'000
Other timing differences	<u>55</u>	<u>22</u>

19 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £119,000 (2015 - £106,000). Contributions amounting to £3,311 (2015 - £9,977) were payable to the fund and are included in creditors (Note 17).

20 Profit and loss account

The reserve represents the cumulative profits and losses.

21 Share capital

	2016 £'000	2015 £'000
<i>Allotted, called up and fully paid</i>		
10,000 (2015: 10,000) Ordinary shares of £1 each	<u>10</u>	<u>10</u>

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Xi-Tech Limited

Notes to the Consolidated Financial Statements for the year ended 25 March 2016 (continued)

22 Commitments under operating leases

The future minimum operating lease payments are as follows:

	2016 £'000	2015 £'000
Within one year	134	134
In two to five years	33	167
Over five years	-	-
	<u>167</u>	<u>301</u>

The company has no other financial commitments which have not been provided for.

23 Related party disclosures

During the year the company received a management fee of £1,000,000 (2015:£600,000) from Sens-Tech Limited, and the corporation tax due on behalf of the group was paid by Sens-Tech Limited. At the year end, there is an £487,000 (2015:£810,000) receivable from Sens-Tech Limited.

Within Xi-Tech Limited there is a £2,000,000 other creditor in relation to funds payable to S Jaye, (shareholder) in relation to the dividend funds and is repayable to him on demand. There was no such balance in 2015.

There were no other related party disclosures in the year.

24 Controlling party

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

25 Transition to FRS 102

This is the first financial year that the Company have presented its financial statements in accordance with FRS 102 'The Financial Reporting Framework Applicable in the UK and Republic of Ireland' ("FRS 102"). For financial years up to and including the year ending 27 March 2015, the Company prepared its financial statements in accordance with old UK GAAP.

The Company's date of transition to FRS 102 is therefore 29 March 2014. This note sets out the changes to accounting policies and the transitional adjustments that are required to be made for first-time transition to FRS 102. The Company's opening equity position as at the 29 March 2014 and its previously published financial statements for the year ended 27 March 2015 have been restated from old UK GAAP.

Changes to FRS 102 adoption

There have been no FRS 102 adjustments noted in the adoption from UK GAAP to FRS 102. The Company's equity as at 29 March 2014 and 27 March 2015 therefore remains unchanged as a result of transition to FRS 102.