

Cowie Technology Group Limited

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 30 June 2016

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for the Year Ended 30 June 2016

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Cowie Technology Group Limited

Company Information
for the Year Ended 30 June 2016

DIRECTORS:

G R Cowie
Mrs E Cowie
Ms S Price
Ms J M Morgan
C S Conway

SECRETARY:

Ms J M Morgan

REGISTERED OFFICE:

Ridgeway
Coulby Newham
Middlesbrough
TS8 0TQ

REGISTERED NUMBER:

00850954 (England and Wales)

AUDITORS:

Anderson Barrowcliff LLP
Statutory Auditor
Chartered Accountants
Waterloo House
Teesdale South
Thornaby Place
Thornaby on Tees
TS17 6SA

Group Strategic Report
for the Year Ended 30 June 2016

The directors present their strategic report of the company and the group for the year ended 30 June 2016.

REVIEW OF BUSINESS

The financial position of the group at the year end is considered to be satisfactory. The group has made pre tax profits of £755,114 in 2016 (2015: £591,627) and has net assets of £4,844,686 (2015: £6,045,461).

PRINCIPAL RISKS AND UNCERTAINTIES

Although the group is dependent on the worldwide scientific industry and would be affected by the loss of a major customer or supplier, the directors believe they have taken adequate steps to mitigate these risks.

KEY PERFORMANCE INDICATORS

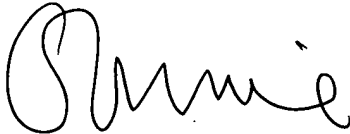
Key performance indicators are used to support customer service and measure trends in incoming orders and delivery performance.

PRINCIPAL ACTIVITY

The principal activities of the group in the year under review were those of the design, manufacture and sale of scientific apparatus and equipment.

No significant change in the nature of these activities occurred during the year.

ON BEHALF OF THE BOARD:



.....
G R Cowie - Director

Date: 9-3-2017

Report of the Directors
for the Year Ended 30 June 2016

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2016.

DIVIDENDS

Interim dividends totalling £800 per share were paid during the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2016 will be £1,922,400.

RESEARCH AND DEVELOPMENT

Research and development is an important part of the group's operations. During the year the group spent £92,801 on research and development.

FUTURE DEVELOPMENTS

The directors are in the process of exploring new opportunities in respect of new markets, new products and acquisitions. They anticipate that the present level of activity will be sustainable in the coming year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

G R Cowie
Mrs E Cowie
Ms S Price
Ms J M Morgan
C S Conway

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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). 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 the group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

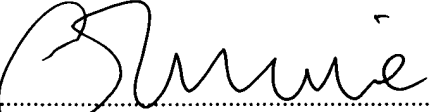
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Directors
for the Year Ended 30 June 2016

AUDITORS

The auditors, Anderson Barrowcliff LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
G R Cowie - Director

Date: 9-3-2017.....

Report of the Independent Auditors to the Members of
Cowie Technology Group Limited

We have audited the financial statements of Cowie Technology Group Limited for the year ended 30 June 2016 on pages seven to twenty nine. 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 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; 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Cowie Technology Group Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Beverley Blakey FCA (Senior Statutory Auditor)
for and on behalf of Anderson Barrowcliff LLP
Statutory Auditor
Chartered Accountants
Waterloo House
Teesdale South
Thornaby Place
Thornaby on Tees
TS17 6SA

Date: 13 March 2017

Cowie Technology Group Limited (Registered number: 00850954)

Consolidated Income Statement
for the Year Ended 30 June 2016

	Notes	2016	2015
		£	£
TURNOVER	2	4,682,099	4,280,601
Cost of sales		<u>2,187,534</u>	<u>2,049,115</u>
GROSS PROFIT		2,494,565	2,231,486
Distribution costs		153,305	146,459
Administrative expenses		<u>1,722,661</u>	<u>1,632,896</u>
		1,875,966	1,779,355
		618,599	452,131
Other operating income		<u>101,114</u>	<u>105,951</u>
OPERATING PROFIT	4	719,713	558,082
Interest receivable and similar income		<u>35,401</u>	<u>33,545</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		755,114	591,627
Tax on profit on ordinary activities	5	<u>130,419</u>	<u>111,181</u>
PROFIT FOR THE FINANCIAL YEAR		<u>624,695</u>	<u>480,446</u>
Profit attributable to:			
Owners of the parent		<u>624,695</u>	<u>480,446</u>

The notes form part of these financial statements

Consolidated Other Comprehensive Income
for the Year Ended 30 June 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		624,695	480,446
OTHER COMPREHENSIVE INCOME			
Exchange rate differences		96,930	51,514
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		96,930	51,514
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		721,625	531,960
Total comprehensive income attributable to: Owners of the parent		721,625	531,960

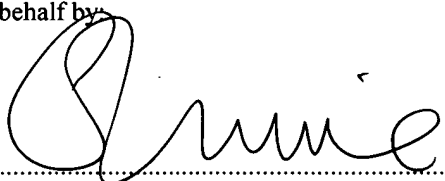
Cowie Technology Group Limited (Registered number: 00850954)

Consolidated Balance Sheet

30 June 2016

	Notes	2016	2015
		£	£
FIXED ASSETS			
Intangible assets	8	-	1,342
Tangible assets	9	993,094	1,020,559
Investments	10	-	-
		<u>993,094</u>	<u>1,021,901</u>
CURRENT ASSETS			
Stocks	11	878,218	907,398
Debtors	12	709,171	723,027
Cash at bank and in hand		4,576,706	4,417,417
		<u>6,164,095</u>	<u>6,047,842</u>
CREDITORS			
Amounts falling due within one year	13	2,276,226	986,177
NET CURRENT ASSETS		<u>3,887,869</u>	<u>5,061,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,880,963</u>	<u>6,083,566</u>
PROVISIONS FOR LIABILITIES	14	(17,500)	(13,400)
ACCRUALS AND DEFERRED INCOME	15	(18,777)	(24,705)
NET ASSETS		<u><u>4,844,686</u></u>	<u><u>6,045,461</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	2,403	2,403
Retained earnings	17	4,842,283	6,043,058
SHAREHOLDERS' FUNDS		<u><u>4,844,686</u></u>	<u><u>6,045,461</u></u>

The financial statements were approved by the Board of Directors on 9 March 2017 and were signed on its behalf by:



.....
G R Cowie - Director

The notes form part of these financial statements

Cowie Technology Group Limited (Registered number: 00850954)

Company Balance Sheet

30 June 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	986,635	1,009,109
Investments	10	1,268	1,268
		<u>987,903</u>	<u>1,010,377</u>
CURRENT ASSETS			
Stocks	11	579,878	673,250
Debtors	12	638,676	630,132
Cash at bank and in hand		4,288,203	4,202,910
		<u>5,506,757</u>	<u>5,506,292</u>
CREDITORS			
Amounts falling due within one year	13	2,287,251	996,769
NET CURRENT ASSETS		<u>3,219,506</u>	<u>4,509,523</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,207,409</u>	<u>5,519,900</u>
PROVISIONS FOR LIABILITIES	14	(17,500)	(13,400)
ACCRUALS AND DEFERRED INCOME	15	(18,777)	(24,705)
NET ASSETS		<u><u>4,171,132</u></u>	<u><u>5,481,795</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	2,403	2,403
Retained earnings	17	4,168,729	5,479,392
SHAREHOLDERS' FUNDS		<u><u>4,171,132</u></u>	<u><u>5,481,795</u></u>

The financial statements were approved by the Board of Directors on 9 March 2017 and were signed on its behalf by:



.....
G R Cowie - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2014	2,403	5,991,698	5,994,101
Changes in equity			
Dividends	-	(480,600)	(480,600)
Total comprehensive income	-	531,960	531,960
Balance at 30 June 2015	<u>2,403</u>	<u>6,043,058</u>	<u>6,045,461</u>
Changes in equity			
Dividends	-	(1,922,400)	(1,922,400)
Total comprehensive income	-	721,625	721,625
Balance at 30 June 2016	<u>2,403</u>	<u>4,842,283</u>	<u>4,844,686</u>

Company Statement of Changes in Equity
for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2014	2,403	5,497,699	5,500,102
Changes in equity			
Dividends	-	(480,600)	(480,600)
Total comprehensive income	-	462,293	462,293
Balance at 30 June 2015	<u>2,403</u>	<u>5,479,392</u>	<u>5,481,795</u>
Changes in equity			
Dividends	-	(1,922,400)	(1,922,400)
Total comprehensive income	-	611,737	611,737
Balance at 30 June 2016	<u>2,403</u>	<u>4,168,729</u>	<u>4,171,132</u>

Consolidated Cash Flow Statement
for the Year Ended 30 June 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	946,436	378,208
Tax paid		(97,368)	(108,374)
Net cash from operating activities		849,068	269,834
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(1,322)
Purchase of tangible fixed assets		(52,618)	(75,114)
Sale of tangible fixed assets		-	13,000
Interest received		35,401	33,545
Net cash from investing activities		(17,217)	(29,891)
Cash flows from financing activities			
Amount introduced by directors		1,152,908	9,472
Other exchange differences		96,930	51,514
Equity dividends paid		(1,922,400)	(480,600)
Net cash from financing activities		(672,562)	(419,614)
Increase/(decrease) in cash and cash equivalents		159,289	(179,671)
Cash and cash equivalents at beginning of year	2	4,417,417	4,597,088
Cash and cash equivalents at end of year	2	4,576,706	4,417,417

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	755,114	591,627
Depreciation charges	80,070	91,696
Loss/(profit) on disposal of fixed assets	1,355	(12,999)
Government grants	(5,928)	(5,928)
Finance income	(35,401)	(33,545)
	795,210	630,851
Decrease/(increase) in stocks	29,180	(191,785)
Decrease/(increase) in trade and other debtors	13,856	(61,527)
Increase in trade and other creditors	108,190	669
Cash generated from operations	946,436	378,208

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2016

	30.6.16	1.7.15
	£	£
Cash and cash equivalents	4,576,706	4,417,417

Year ended 30 June 2015

	30.6.15	1.7.14
	£	£
Cash and cash equivalents	4,417,417	4,597,088

Notes to the Consolidated Financial Statements
for the Year Ended 30 June 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Cowie Technology Group Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the group's operations and its principal activities are set out in the Strategic Report on page 2.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on the going concern basis under the historic cost convention. The financial statements are prepared in sterling which is the functional currency of the group.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The group adopted FRS102 in the current year and an explanation of how transition to FRS102 has affected the reported financial position and performance is given in the notes to the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary company.

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Intangible fixed assets

Patents and licences are written off over their estimated useful life of 4 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 15% - 33.3% on cost
Motor vehicles	- 25% on cost

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 transport and handling costs; in the case of manufactured products cost includes all direct expenditure and production overheads based on the normal level of activity. Net realisable value is the price at which the stocks can be sold in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

1. ACCOUNTING POLICIES - continued

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Research and development

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Grants

Capital based grants are included in the balance sheet as a deferred credit and released to the profit and loss account in equal instalments over the estimated useful lives of the related assets. Amounts not yet released to the profit and loss account are included in the balance sheet as deferred income. Revenue based grants are credited to the profit and loss account when receivable.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

1. ACCOUNTING POLICIES - continued

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Judgements and key sources of estimation uncertainty

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

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

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	934,013	934,819
Rest of Europe	1,509,794	1,429,578
Rest of World	2,238,292	1,916,204
	<u>4,682,099</u>	<u>4,280,601</u>

All turnover is derived from sale of manufactured goods.

3. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	2,401,318	2,147,328
Social security costs	217,409	188,219
Other pension costs	48,706	27,097
	<u>2,667,433</u>	<u>2,362,644</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

3. STAFF COSTS - continued

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

	2016	2015
Production	67	66
Administration	14	16
	<u>81</u>	<u>82</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	33,263	-
Depreciation - owned assets	80,070	91,386
Loss/(profit) on disposal of fixed assets	1,355	(12,999)
Patents and licences amortisation	-	310
Auditors remuneration	8,000	7,875
Foreign exchange differences	(79,922)	19,672
Government grants released	(5,928)	(27,928)
Research and development costs	<u>92,801</u>	<u>75,101</u>
Directors' remuneration	743,214	512,555
Directors' pension contributions to money purchase schemes	<u>9,485</u>	<u>3,831</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>1</u>
------------------------	-----------------	-----------------

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	<u>341,581</u>	<u>245,915</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	124,500	101,500
Adjustment in respect of prior years	(645)	(1,075)
Federal income tax	2,464	3,356
	<hr/>	<hr/>
Total current tax	126,319	103,781
	<hr/>	<hr/>
Deferred taxation	4,100	7,400
	<hr/>	<hr/>
Tax on profit on ordinary activities	130,419	111,181
	<hr/>	<hr/>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	755,114	591,627
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	151,023	118,325
Effects of:		
Expenses not deductible for tax purposes	109	549
Depreciation in excess of capital allowances	4,102	5,005
Adjustments to tax charge in respect of previous periods	(645)	(1,075)
Research and development relief available	(24,128)	(14,488)
Effect of change in tax rate and marginal relief	578	2,730
Adjustment in respect of Federal income tax expense	(620)	135
	<hr/>	<hr/>
Total tax charge	130,419	111,181
	<hr/>	<hr/>

Tax effects relating to effects of other comprehensive income

	2016	
	Gross	Net
	£	£
Exchange rate differences	96,930	96,930
	<hr/>	<hr/>
	96,930	96,930
	<hr/>	<hr/>
	2015	
	Gross	Net
	£	£
Exchange rate differences	51,514	51,514
	<hr/>	<hr/>
	51,514	51,514
	<hr/>	<hr/>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £611,737 (2015 - £462,293).

7. DIVIDENDS

	2016	2015
	£	£
Interim	<u>1,922,400</u>	<u>480,600</u>

8. INTANGIBLE FIXED ASSETS

Group

	Patents and licences £
COST	
At 1 July 2015	2,895
Disposals	<u>(2,895)</u>
At 30 June 2016	-
AMORTISATION	
At 1 July 2015	1,553
Eliminated on disposal	<u>(1,553)</u>
At 30 June 2016	-
NET BOOK VALUE	
At 30 June 2016	-
At 30 June 2015	<u>1,342</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016**

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 July 2015	1,403,991	1,063,221	79,860
At 30 June 2016	1,403,991	1,063,221	79,860
DEPRECIATION			
At 1 July 2015	464,031	1,009,619	71,188
Charge for year	22,296	27,311	2,919
Eliminated on disposal	-	-	-
At 30 June 2016	486,327	1,036,930	74,107
NET BOOK VALUE			
At 30 June 2016	917,664	26,291	5,753
At 30 June 2015	939,960	53,602	8,672
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2015	4,296	184,179	2,735,547
Additions	-	52,618	52,618
Disposals	-	(22,672)	(22,672)
At 30 June 2016	4,296	214,125	2,765,493
DEPRECIATION			
At 1 July 2015	4,296	165,854	1,714,988
Charge for year	-	27,544	80,070
Eliminated on disposal	-	(22,659)	(22,659)
At 30 June 2016	4,296	170,739	1,772,399
NET BOOK VALUE			
At 30 June 2016	-	43,386	993,094
At 30 June 2015	-	18,325	1,020,559

Included in Land and Buildings is Freehold Land at a cost of £84,000 (2015 - £84,000) which is not depreciated.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016**

9. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 July 2015	1,403,991	1,063,221	61,405
At 30 June 2016	1,403,991	1,063,221	61,405
DEPRECIATION			
At 1 July 2015	464,031	1,009,619	52,890
Charge for year	22,296	27,311	2,781
Eliminated on disposal	-	-	-
At 30 June 2016	486,327	1,036,930	55,671
NET BOOK VALUE			
At 30 June 2016	917,664	26,291	5,734
At 30 June 2015	939,960	53,602	8,515
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2015	4,296	148,609	2,681,522
Additions	-	51,183	51,183
Disposals	-	(22,672)	(22,672)
At 30 June 2016	4,296	177,120	2,710,033
DEPRECIATION			
At 1 July 2015	4,296	141,577	1,672,413
Charge for year	-	21,256	73,644
Eliminated on disposal	-	(22,659)	(22,659)
At 30 June 2016	4,296	140,174	1,723,398
NET BOOK VALUE			
At 30 June 2016	-	36,946	986,635
At 30 June 2015	-	7,032	1,009,109

Included in Land and Buildings is Freehold Land at a cost of £84,000 (2015 - £84,000) which is not depreciated.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2015	
and 30 June 2016	1,268
NET BOOK VALUE	
At 30 June 2016	1,268
At 30 June 2015	1,268

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Cowie Technology Corporation

Country of incorporation: USA

Nature of business: Sale of scientific apparatus and equipment

Class of shares:	%
Ordinary	100.00

	30.6.16	30.6.15
	£	£
Aggregate capital and reserves	674,822	610,802
Profit for the year	13,279	18,270

An amount of £96,930 (credit) has been recognised in reserves for the year ended 30 June 2016 (2015: £51,514 credit) in relation to exchange rate differences.

11. STOCKS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials	186,372	281,910	186,372	281,910
Work-in-progress	94,577	110,498	94,577	110,498
Finished goods	597,269	514,990	298,929	280,842
	878,218	907,398	579,878	673,250

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	546,960	584,320	433,089	447,795
Amounts owed by group undertakings	-	-	57,994	56,781
Other debtors	15,986	23,418	11,741	16,229
Prepayments and accrued income	146,225	115,289	135,852	109,327
	<u>709,171</u>	<u>723,027</u>	<u>638,676</u>	<u>630,132</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	126,468	123,047	126,048	116,419
Taxation	109,417	80,466	124,500	101,500
Social security and other taxes	35,007	39,109	35,007	39,109
VAT	16,256	12,581	16,256	12,581
Other creditors	4,796	-	4,796	-
Directors' current accounts	1,568,384	415,476	1,568,384	415,476
Accrued expenses	415,898	315,498	412,260	311,684
	<u>2,276,226</u>	<u>986,177</u>	<u>2,287,251</u>	<u>996,769</u>

14. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred taxation	<u>17,500</u>	<u>13,400</u>	<u>17,500</u>	<u>13,400</u>

Group

	Deferred tax £
Balance at 1 July 2015	13,400
Provided during year	4,100
Balance at 30 June 2016	<u>17,500</u>

Company

	Deferred tax £
Balance at 1 July 2015	13,400
Provided during year	4,100
Balance at 30 June 2016	<u>17,500</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

15. ACCRUALS AND DEFERRED INCOME

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Brought forward	24,705	30,633	24,705	30,633
Released in year	(5,928)	(5,928)	(5,928)	(5,928)
	<u>18,777</u>	<u>24,705</u>	<u>18,777</u>	<u>24,705</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2016	2015
			£	£
2,403	Ordinary	£1	<u>2,403</u>	<u>2,403</u>

17. RESERVES

Group

	Retained earnings £
At 1 July 2015	6,043,058
Profit for the year	624,695
Dividends	(1,922,400)
Exchange rate differences	96,930
At 30 June 2016	<u>4,842,283</u>

Company

	Retained earnings £
At 1 July 2015	5,479,392
Profit for the year	611,737
Dividends	(1,922,400)
At 30 June 2016	<u>4,168,729</u>

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

18. PENSION COMMITMENTS

The group operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund £48,706 (2015:£27,097).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

19. RELATED PARTY DISCLOSURES

During the year, total dividends of £1,922,400 (2015: £480,600) were paid to directors.

Remuneration paid to key management personnel amounted to £752,699 (2015: £516,386).

20. AUTHORISED CAPITAL SPEND

A further spend of £250,000 has been authorised but not yet committed with regards to the fit out and equipment costs for the new factory extension.

21. CONTROL

Mr G R Cowie, a director, together with his wife, Mrs E Cowie, control the company by virtue of a controlling interest of 77.1% of the issued ordinary share capital.

22. FIRST YEAR ADOPTION

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 30 June 2015 and the date of transition to FRS 102 was therefore 1 July 2014.

Cowie Technology Group Limited (Registered number: 00850954)

Reconciliation of Equity
1 July 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		1,036,832	-	1,036,832
Investments		330	-	330
		<u>1,037,162</u>	<u>-</u>	<u>1,037,162</u>
CURRENT ASSETS				
Stocks		715,613	-	715,613
Debtors		661,500	-	661,500
Cash at bank and in hand		4,597,088	-	4,597,088
		<u>5,974,201</u>	<u>-</u>	<u>5,974,201</u>
CREDITORS				
Amounts falling due within one year		(980,629)	-	(980,629)
NET CURRENT ASSETS		<u>4,993,572</u>	<u>-</u>	<u>4,993,572</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,030,734	-	6,030,734
PROVISIONS FOR LIABILITIES ACCRUALS AND DEFERRED INCOME		(6,000) (30,633)	- -	(6,000) (30,633)
NET ASSETS		<u>5,994,101</u>	<u>-</u>	<u>5,994,101</u>
CAPITAL AND RESERVES				
Called up share capital		2,403	-	2,403
Retained earnings		5,991,698	-	5,991,698
SHAREHOLDERS' FUNDS		<u>5,994,101</u>	<u>-</u>	<u>5,994,101</u>

The notes form part of these financial statements

Reconciliation of Equity - continued

30 June 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		1,342	-	1,342
Tangible assets		1,020,559	-	1,020,559
		<u>1,021,901</u>	<u>-</u>	<u>1,021,901</u>
CURRENT ASSETS				
Stocks		907,398	-	907,398
Debtors		723,027	-	723,027
Cash at bank and in hand		4,417,417	-	4,417,417
		<u>6,047,842</u>	<u>-</u>	<u>6,047,842</u>
CREDITORS				
Amounts falling due within one year		(986,177)	-	(986,177)
NET CURRENT ASSETS		<u>5,061,665</u>	<u>-</u>	<u>5,061,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,083,566	-	6,083,566
PROVISIONS FOR LIABILITIES		(13,400)	-	(13,400)
ACCRUALS AND DEFERRED INCOME		(24,705)	-	(24,705)
NET ASSETS		<u><u>6,045,461</u></u>	<u><u>-</u></u>	<u><u>6,045,461</u></u>
CAPITAL AND RESERVES				
Called up share capital		2,403	-	2,403
Retained earnings		6,043,058	-	6,043,058
SHAREHOLDERS' FUNDS		<u><u>6,045,461</u></u>	<u><u>-</u></u>	<u><u>6,045,461</u></u>

The notes form part of these financial statements

Cowie Technology Group Limited (Registered number: 00850954)

Reconciliation of Profit
for the Year Ended 30 June 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	4,280,601	-	4,280,601
Cost of sales	(2,049,115)	-	(2,049,115)
GROSS PROFIT	2,231,486	-	2,231,486
Distribution costs	(146,459)	-	(146,459)
Administrative expenses	(1,632,896)	-	(1,632,896)
Other operating income	105,951	-	105,951
OPERATING PROFIT	558,082	-	558,082
Interest receivable and similar income	33,545	-	33,545
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	591,627	-	591,627
Tax on profit on ordinary activities	(111,181)	-	(111,181)
PROFIT FOR THE FINANCIAL YEAR	480,446	-	480,446
Profit attributable to: Owners of the parent			480,446

The notes form part of these financial statements