

REGISTERED NUMBER: 00987160 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements

for the Year Ended 30th June 2019

for

Cirrus Research plc

Contents of the Financial Statements
for the year ended 30th June 2019

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13

Cirrus Research plc
Company Information
for the year ended 30th June 2019

DIRECTORS:

K D Frankish
D S Wallis
Mrs L M Wallis
M J Williams

SECRETARY:

Ms J E Revett

REGISTERED OFFICE:

Acoustic House
Bridlington Road
Hunmanby
North Yorkshire
YO14 0PH

REGISTERED NUMBER:

00987160 (England and Wales)

AUDITORS:

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Strategic Report
for the year ended 30th June 2019

The directors present their strategic report for the year ended 30th June 2019.

REVIEW OF BUSINESS

Given the uncertainty over Brexit this was a relatively positive trading year. Sales revenue increased by just under 4.5% whereas the Board predicted a possible sales drop. Sales into Europe dropped by almost 3%, with sales into our primary European market, Germany, dropping by over 20%. Rest of World exports increased by 12%, which compensated, but out of Europe exports are typically via a dealer network and therefore are subject to higher discounts which in turn affect the gross margin which dropped to 38% from 39% in the previous period.

Early in the calendar year it was decided to increase our finished goods stock by 50% and to hold some finished goods in our Frankfurt Office in order to mitigate potential supply chain issues caused by Brexit. The deadline extension has left us with increased stocks and this cash will remain tied in higher than normal levels of finished stock ready for the revised date.

Profit for the period dropped by 17% from £276k to £229k however this doesn't reflect the entire financial story as at the halfway point the business was in a loss-making position with sales down year on year. Costs were running higher than normal as we gained accreditation for our calibration laboratory (UKAS) and turned to recruitment agencies to recruit new employees, largely in Sales and Product Development. An adjustment was made to our employee numbers, by not replacing any leavers, as the impact of Brexit was felt, and costs required lowering.

The company is entering the new period in a better position than last year with sales up and several large projects and customers starting to deliver sales.

PRINCIPAL RISKS AND UNCERTAINTIES

As an exporter we are constantly aware that any impact on the global economy could negatively affect our business. Our strategy has always been to reduce business risk by avoiding reliance on single products or markets. We are also conscious that changes in regulation across the world can significantly impact on trade and we ensure our products are fully compliant with the regulatory environment in each country we do business with.

The company is aware of the various financial risks faced in day to day business. The company has formulated an effective risk management policy to mitigate the adverse impact on its financial performance on account of various risks such as credit, foreign exchange, technology, fraud etc.

The small size of the operations and lean structure of the company does not necessitate the requirement to have a separate sub-committee of the Board of Directors for management of the risk policy. The Board of Directors however has laid down various policy initiatives for the operating personnel to manage risks.

Credit Risk

The company's exposure to credit risk is moderate and is managed through a mix of initiatives such as obtaining post dated cheques, entering into legally sound and enforceable agreements, monitoring of credit exposure within the limits fixed for various customers. The doubtful debts arising out of factors like dealer closure are immediately recognised and provided for in the accounts.

Fraud Risk

The company has low exposure to fraud risk with strong internal control systems.

Strategic Report
for the year ended 30th June 2019

FUTURE DEVELOPMENTS AND STRATEGY

Our commitment to new product development continues and several new products moved into full production during the year, all of which have now been launched. The product development team have embarked on a longer-term development project and a low feature version will be on the market in the next financial period with the full product scheduled for the subsequent period.

The proposed development office opened in York however the extra costs incurred - rent and travel - cannot justify the easier recruitment and so notice has been given and the entire team will move back to head office.

Non-standard project work continues to be a growth area and, as a result, discussions are being with our owners regarding a restructure of their projects company.

ON BEHALF OF THE BOARD:

D S Wallis - Director

30th September 2019

Report of the Directors
for the year ended 30th June 2019

The directors present their report with the financial statements of the company for the year ended 30th June 2019.

DIVIDENDS

An interim dividend of 10.526p per share was paid on 30th June 2019. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30th June 2019 will be £ 100,000 .

FUTURE DEVELOPMENTS

These details have been provided in the company's strategic report.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1st July 2018 to the date of this report.

The directors shown below were in office at 30th June 2019 but did not hold any interest in the Ordinary shares of £1 each at 1st July 2018 or 30th June 2019.

K D Frankish
D S Wallis
Mrs L M Wallis
M J Williams

FINANCIAL RISK MANAGEMENT

These details are provided in the company's strategic report.

CREDITORS

The Company's policy is to make payment to suppliers in accordance with the terms of payment agreed at the time the contract of supply is made.

The company's creditors days at the year-end based upon the average daily amount invoiced by suppliers were 47 days.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Report of the Directors
for the year ended 30th June 2019

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 company'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 company's auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD:

D S Wallis - Director

30th September 2019

Report of the Independent Auditors to the Members of
Cirrus Research plc

Opinion

We have audited the financial statements of Cirrus Research plc (the 'company') for the year ended 30th June 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30th June 2019 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Cirrus Research plc

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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.

Alan Brocklehurst (Senior Statutory Auditor)
for and on behalf of cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

4th October 2019

Statement of Comprehensive Income
for the year ended 30th June 2019

	Notes	2019 £	£	2018 £	£
TURNOVER	3		4,481,654		4,294,057
Cost of sales			2,811,783		2,602,087
GROSS PROFIT			1,669,871		1,691,970
Distribution costs		955		2,042	
Administrative expenses		1,525,323		1,500,656	
			1,526,278		1,502,698
			143,593		189,272
Other operating income			32,708		90,386
OPERATING PROFIT	5		176,301		279,658
Interest receivable and similar income			15,871		4,139
			192,172		283,797
Interest payable and similar expenses	6		12,032		7,793
PROFIT BEFORE TAXATION			180,140		276,004
Tax on profit	7		(44,710)		(42,589)
PROFIT FOR THE FINANCIAL YEAR			224,850		318,593
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME			-		-
FOR THE YEAR			224,850		318,593

The notes form part of these financial statements

Balance Sheet
30th June 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	9		1		1
Tangible assets	10		166,798		183,941
Investments	11		24,440		24,440
			<u>191,239</u>		<u>208,382</u>
CURRENT ASSETS					
Stocks	12	683,715		463,309	
Debtors	13	1,554,351		1,387,817	
Cash at bank and in hand		<u>212,207</u>		<u>264,366</u>	
		<u>2,450,273</u>		<u>2,115,492</u>	
CREDITORS					
Amounts falling due within one year	14	<u>846,221</u>		<u>621,255</u>	
NET CURRENT ASSETS			<u>1,604,052</u>		<u>1,494,237</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,795,291</u>		<u>1,702,619</u>
CREDITORS					
Amounts falling due after more than one year	15		<u>88,422</u>		<u>120,600</u>
NET ASSETS			<u>1,706,869</u>		<u>1,582,019</u>
CAPITAL AND RESERVES					
Called up share capital	19		950,000		950,000
Retained earnings	20		<u>756,869</u>		<u>632,019</u>
SHAREHOLDERS' FUNDS			<u>1,706,869</u>		<u>1,582,019</u>

The financial statements were approved by the Board of Directors on 30th September 2019 and were signed on its behalf by:

D S Wallis - Director

Statement of Changes in Equity
for the year ended 30th June 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st July 2017	950,000	523,426	1,473,426
Changes in equity			
Dividends	-	(210,000)	(210,000)
Total comprehensive income	-	318,593	318,593
Balance at 30th June 2018	<u>950,000</u>	<u>632,019</u>	<u>1,582,019</u>
Changes in equity			
Dividends	-	(100,000)	(100,000)
Total comprehensive income	-	224,850	224,850
Balance at 30th June 2019	<u>950,000</u>	<u>756,869</u>	<u>1,706,869</u>

Cash Flow Statement
for the year ended 30th June 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	55,682	(88,852)
Interest paid		(12,032)	(7,793)
Tax paid		42,589	125,799
Net cash from operating activities		<u>86,239</u>	<u>29,154</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(28,642)	(52,685)
Sale of tangible fixed assets		4,167	-
Interest received		15,871	4,139
Net cash from investing activities		<u>(8,604)</u>	<u>(48,546)</u>
Cash flows from financing activities			
New loans in year		-	167,000
Loan repayments in year		(29,794)	(16,606)
Equity dividends paid		(100,000)	(150,000)
Net cash from financing activities		<u>(129,794)</u>	<u>394</u>
Decrease in cash and cash equivalents		<u>(52,159)</u>	<u>(18,998)</u>
Cash and cash equivalents at beginning of year	2	264,366	283,364
Cash and cash equivalents at end of year	2	<u>212,207</u>	<u>264,366</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 30th June 2019

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

	2019	2018
	£	£
Profit before taxation	180,140	276,004
Depreciation charges	41,462	40,795
Loss on disposal of fixed assets	156	-
Finance costs	12,032	7,793
Finance income	(15,871)	(4,139)
	<u>217,919</u>	<u>320,453</u>
Increase in stocks	(220,406)	(118,402)
Increase in trade and other debtors	(167,846)	(409,588)
Increase in trade and other creditors	<u>226,015</u>	<u>118,685</u>
Cash generated from operations	<u><u>55,682</u></u>	<u><u>(88,852)</u></u>

2. **CASH AND CASH EQUIVALENTS**

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

Year ended 30th June 2019

	30/6/19	1/7/18
	£	£
Cash and cash equivalents	<u>212,207</u>	<u>264,366</u>

Year ended 30th June 2018

	30/6/18	1/7/17
	£	£
Cash and cash equivalents	<u>264,366</u>	<u>283,364</u>

Notes to the Financial Statements
for the year ended 30th June 2019

1. STATUTORY INFORMATION

Cirrus Research plc is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Cirrus Research plc as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Scientific Measurements Pte. Ltd., 100 Beach Road # 25-06 Shaw Towers, Singapore, 189702.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Sale of goods are recognised when the goods are delivered.

Service sales are recognised when the product has been repaired or serviced and returned to the customer.

Intangible assets

Intangible assets are measured at cost.

Tangible fixed assets

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

Long leasehold	- 5% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stock is on a first in first out basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the year ended 30th June 2019

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

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.

Pension costs and other post-retirement benefits

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. Contributions payable for the year are charged in the profit and loss account.

3. TURNOVER

An analysis of turnover by geographical market is given below :

	2019	2018
Sales - United Kingdom	1,920,940	1,839,924
Sales - Europe	1,241,643	1,276,073
Sales - Rest of World	1,319,071	1,178,060
	<u>4,481,654</u>	<u>4,294,057</u>

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	1,547,964	1,319,652
Social security costs	22,548	22,735
Other pension costs	172,936	154,487
	<u>1,743,448</u>	<u>1,496,874</u>

Notes to the Financial Statements - continued
for the year ended 30th June 2019

4. EMPLOYEES AND DIRECTORS - continued

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

	2019	2018
Office and Administration	27	22
Test and Production	9	10
Research and Development	8	9
	<u>44</u>	<u>41</u>

	2019	2018
	£	£
Directors' remuneration	<u>197,772</u>	<u>198,057</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
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5. OPERATING PROFIT

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

	2019	2018
	£	£
Depreciation - owned assets	41,462	40,795
Loss on disposal of fixed assets	156	-
Auditors' remuneration	6,000	6,000
Foreign exchange differences	<u>(32,708)</u>	<u>(90,386)</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Loan interest	<u>12,032</u>	<u>7,793</u>

7. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	(49,008)	(50,320)
Other taxation	<u>4,298</u>	<u>7,731</u>
Tax on profit	<u>(44,710)</u>	<u>(42,589)</u>

Notes to the Financial Statements - continued
for the year ended 30th June 2019

8. DIVIDENDS

	2019 £	2018 £
Interim	<u>100,000</u>	<u>210,000</u>

9. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1st July 2018 and 30th June 2019	<u>1</u>
NET BOOK VALUE	
At 30th June 2019	<u>1</u>
At 30th June 2018	<u>1</u>

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1st July 2018	119,468	236,406	67,926	196,525	620,325
Additions	9,875	6,543	1,031	11,193	28,642
Disposals	-	(4,551)	-	-	(4,551)
At 30th June 2019	<u>129,343</u>	<u>238,398</u>	<u>68,957</u>	<u>207,718</u>	<u>644,416</u>
DEPRECIATION					
At 1st July 2018	36,080	168,631	62,365	169,308	436,384
Charge for year	6,344	17,179	1,967	15,972	41,462
Eliminated on disposal	-	(228)	-	-	(228)
At 30th June 2019	<u>42,424</u>	<u>185,582</u>	<u>64,332</u>	<u>185,280</u>	<u>477,618</u>
NET BOOK VALUE					
At 30th June 2019	<u>86,919</u>	<u>52,816</u>	<u>4,625</u>	<u>22,438</u>	<u>166,798</u>
At 30th June 2018	<u>83,388</u>	<u>67,775</u>	<u>5,561</u>	<u>27,217</u>	<u>183,941</u>

Notes to the Financial Statements - continued
for the year ended 30th June 2019

11. FIXED ASSET INVESTMENTS

**Shares in
group
undertakings
£**

COST

At 1st July 2018
and 30th June 2019

24,440

NET BOOK VALUE

At 30th June 2019
At 30th June 2018

24,440

24,440

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

Cirrus Research S.L.

Registered office: Av Diagonal, 468,6,08006, Barcelona, Spain

Nature of business: Development, manufacture & sale of acoustic devices

Class of shares:	% holding
Ordinary	100.00

2019	2018
£	£
(164,461)	(165,940)
<u>3,461</u>	<u>13,783</u>

Aggregate capital and reserves

Profit for the year

Cirrus Research France SAS

Registered office: 679 avenue de la Republique, 59800 Lille, France

Nature of business: Engineering and technical studies

Class of shares:	% holding
Ordinary	100.00

2019	2018
£	£
(4,225)	(4,169)
<u>2,675</u>	<u>(1,502)</u>

Aggregate capital and reserves

Profit/(loss) for the year

Both Cirrus Research S.L. and Cirrus Research France SAS are not consolidated within these accounts as the company has taken advantage of the exemption shown within the accounting policies.

12. STOCKS

2019	2018
£	£
405,670	292,227
<u>278,045</u>	<u>171,082</u>
<u>683,715</u>	<u>463,309</u>

Raw materials

Finished goods

Notes to the Financial Statements - continued
for the year ended 30th June 2019

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	765,897	709,356
Other debtors	694,421	572,598
Taxation	49,008	50,320
Prepayments	45,025	55,543
	<u>1,554,351</u>	<u>1,387,817</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Other loans (see note 16)	32,178	29,794
Trade creditors	533,030	438,178
Taxation	4,298	7,731
Social security and other taxes	45,302	30,781
Amount owed to parent company	160,000	60,000
Accrued expenses	71,413	54,771
	<u>846,221</u>	<u>621,255</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Other loans (see note 16)	<u>88,422</u>	<u>120,600</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year or on demand:		
Other loans under 1 year	<u>32,178</u>	<u>29,794</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>34,752</u>	<u>32,178</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>53,670</u>	<u>88,422</u>

Notes to the Financial Statements - continued
for the year ended 30th June 2019

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	35,135	45,302
Between one and five years	127,019	141,226
In more than five years	207,500	237,500
	<u>369,654</u>	<u>424,028</u>

18. SECURED DEBTS

All bank and mortgage borrowing is secured by a fixed charge over the company's fixed assets and book debts and a floating charge over all assets of the company.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
950,000	Ordinary	£1	<u>950,000</u>	<u>950,000</u>

20. RESERVES

	Retained earnings
	£
At 1st July 2018	632,019
Profit for the year	224,850
Dividends	<u>(100,000)</u>
At 30th June 2019	<u>756,869</u>

21. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Scientific Measurements Pte Ltd. a company incorporated in Singapore.

Notes to the Financial Statements - continued
for the year ended 30th June 2019

22. RELATED PARTY DISCLOSURES

During the year the company incurred management charges of £165,363 (2018: £173,942) due to the ultimate parent company Scientific Measurements Pte. This charge is based on 4% of the total sales during the year.

At the end of the year the company owed £72,506 (2018: £24,774) to Scientific Measurements Pte.

During the year, the company also purchased trade supplies from Contract Production Limited, a company with a common directorship in Mrs L Wallis. Total purchases in the year were £978,073 (2018: £858,661). At the balance sheet date, £191,636 (2018: £174,811) was outstanding.

During the year, the company traded on normal commercial terms with Pulsar Instruments plc, a company with a common directorship in Mrs L Wallis. Total purchases in the year were £642 (2018: Credits of £34). Total sales to Pulsar Instruments plc during the year were £113,562 (2018: £123,350).

At the end of the year the company owed £Nil (2018: £719) to Pulsar Instruments plc and was owed £22,713 (2018: £58,421) from Pulsar Instruments plc.

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