



Mutual Societies Annual Return Form (AR30)

For societies registered under the Co-operative and Community Benefit Societies Act 2014

Society name:

Delta-T Devices Limited

Important information you should read before completing this form

You must use this form if you are a:

- registered society (previously referred to as an 'industrial and provident society')
- co-operative society
- community benefit society

registered under the Co-operative and Community Benefit Societies Act 2014.

You must submit this form and the society's accounts within 7 months of the end of your financial year. Failure to submit is an offence for which the society may be prosecuted.

Please note:

- we have an information note that may assist you in completing this application
- any personal details you give on the form will be placed on the society's public file.
- it is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to process your annual return.

Please keep a copy of the form and supporting documents for future reference.

Terms in this form

'FCA', 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society.

'The 2014 Act' is the Co-operative and Community Benefit Societies Act 2014



Mutual Societies Annual Return Form (AR30)

For societies registered under the Co-operative and Community Benefit Societies Act 2014

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print the completed form and arrange for it to be signed by all relevant individuals.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed and dated by all relevant individuals.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatories to the form.

6 Email a scanned copy of the signed form and supporting documents to

mutualsannrtns@fca.org.uk

or send it by post to:

Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS

7. Please make sure you include:

- this form
- a set of printed accounts – signed by two members and the secretary (3 signatures in total)
- an audit report or accountant's report where required; and
- any supporting documents.

1

Details of society

1.1 Details of the society

Register number	22804R
Registered office address	130 Low Road Burwell Cambridgeshire
Postcode	CB25 0EJ

1.2 Year end date (dd/mm/yyyy)

See Note 1.2

3	1	/	1	2	/	2	0	1	5
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Committee of management

If you are a club you do not need to give a year of birth in questions 1.3-1.6.

The names of the members of the Committee at the date on which the return is signed should be entered below in BLOCK CAPITALS.

1.3 Details of Chairman

Name	Mr Christopher Nicholl
Address	16 North Street, Burwell Cambridgeshire
Postcode	CB25 0BA
Year of birth	1951
Business occupation and other directorships	Head of Marketing,

1.4 Details of Treasurer

Name	Mr Edmund Potter
Address	17a Low Road, Burwell Cambridgeshire
Postcode	CB25 0EJ
Year of birth	1942
Business occupation and other directorships	Founder & Technical Support Engineer

1.5 Details of Secretary

Name	Dr Martin Goodchild
Address	6 Great Lane Reach Cambridge
Postcode	CB25 0JF
Year of birth	1963
Business occupation and other directorships	Principal Scientist & Electronic Engineer

1.6 Details of Members of the Committee

Name	Address	Year of birth	Business occupation and other directorships
Christopher Nicholl	16 North Street Burwell Cambridgeshire CB25 0BA	1951	Head of Marketing
Michael Soames	11 New Road Impington Cambridge CB24 9LU	1975	Administration Co-ordinator
Karl Kühn	9 Chelmer Way Ely Cambridgeshire CB6 2WS	1980	Principal Software Engineer Director: Fluidcore Technologies cc (South Africa)
John Newstead	24 The Vineyard Ely Cams CB7 4QG	1970	Soil Scientist and Technical Sales Engineer

Please use separate sheets of paper if you need more space, following the instructions provided in section 5 above.

Please indicate how many separate sheets of paper you have used

0

Please continue, answering all questions.

1.7 Are any members of the society's committee disqualified as directors under the Company Director Disqualification Act 1986?

- ☒ No
☐ Yes

1.8 Does the society carry out any activity which is regulated under the Financial Services and Markets Act 2000? (e.g. accepting deposits in a form other than withdrawable shares; offering insurance products; undertaking residential mortgage business). If 'yes' please state the society's Financial Services Register firm reference number

- ☒ No
☐ Yes

Financial Services Register firm reference number

1.9 Is the society a subsidiary of another society?

- ☒ No
☐ Yes

1.10 Does the society have one or more subsidiaries?

- ☒ No
☐ Yes

1.11 Is the society currently accepted by the HM Revenue and Customs as a charity for tax purposes?

- ☒ No
☐ Yes

Please confirm you have attached a copy of the letter from HM Revenue and Customs confirming charitable tax status:

- ☐ Yes

1.12 Is this society a charity registered with the Office of the Scottish Charity Regulator (OSCR)?

- ☒ No
☐ Yes ▶ provide your Scottish Charity number below

1.13 Is the society registered with one of the following (please tick)?

- ☐ Homes and Communities Agency
☐ The Welsh Ministers
☐ Scottish Housing Regulator

If so, please provide your register number

All societies must answer the following questions:

- if a **bona fide co-operative society** go to question 1.14
- if **existing for the benefit of the community** go to question 1.19

Bona fide co-operative society

1.14 How did members benefit from the business, industry or trade of the society during the year?

Delta-T is a worker co-operative where employees are also shareholders/members and owners of the business.
Members share in the control and success of the business by following co-operative principals.
Distributions of surplus profits may be made to members if appropriate.

1.15 Is membership of the society required to obtain the benefits offered by it?

- ☒ Yes
☐ No

1.16 In what way did members participate in an ongoing basis in the society's primary business during the year?

Delta-T is a worker co-operative where employees are also shareholders/members and owners of the business. Members, as employees, perform all the functions required in the business to make it a succesful venture.

1.17 How did members democratically control the society?

Each member has one share of £1 and is entitled to one vote in democratic control of the business.

1.18 How did the society use any surplus/profit?

If the society distributed the surplus/profit to members please explain how this was done.

Profits of the business, in excess of those retained for ongoing support of Delta-T, can be distributed to charitable organisations and members.

If distributions are made they are evenly split between members according to shareholding - each member has one share of £1.

Please use separate sheets of paper if you need more space (see section 5 above)

Please indicate how many separate sheets of paper you have used.

0

Continue to 2.1

Community benefit society

1.19 Who are the community the society benefited?

--

1.20 How did the society benefit that community during the year?

--

1.21 How did the society use any surplus/profit?

--

Please use separate sheets of paper if you need more space (see section 5 above).
Please indicate how many separate sheets of paper you have used.

--

Continue to 2.1

2 Statistics

Account details

2.1 You must enter the figures below

See notes for help on items E-T. Enter NIL where applicable

A	Members at beginning of year	37
B	Members ceased during year	2
C	Members admitted during year	0
D	Members at end of year	35
E	Turnover for year	3,462,207
F	Total of income and expenditure (receipts and payments added together)	N/A
G	Net surplus/(deficit) for year	(97,245)
H	Fixed assets	362,724
I	Current assets	1,514,207
J	Total assets (equal to amount in row O, below)	1,876,931
K	Current liabilities	364,971
L	Share capital	85
M	Long-term liabilities	12,000
N	Reserves	1,499,875
O	Total liabilities, share capital & reserves (K+L+M+N) (equal to amount in J above)	1,876,931
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other registered societies	20
Q	Loans from members	0
R	Loans from Employees' Superannuation Schemes	0
S	Dividends on sales	0
T	Share interest	74,000

2.2 Names of subsidiaries as defined in sections 100 and 101 of the Co-operative and Community Benefit Societies Act 2014

None

2.3 Names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions (as approved by the FCA)

The society must have written authority from us to exclude a subsidiary from group accounts

None

3

The audit

3.1 Type of audit used for the attached accounts.

If the society has used a full professional audit or an accountant's report then the report must be prepared by a registered auditor.

- | | |
|---|----------------------------------|
| <input checked="" type="checkbox"/> Full professional audit | ▶ Continue to section 4 |
| <input type="checkbox"/> Accountant's report | ▶ Complete questions 3.2 and 3.3 |
| <input type="checkbox"/> Lay audit | ▶ Complete questions 3.2 and 3.3 |
| <input type="checkbox"/> Unaudited | ▶ Complete questions 3.2 and 3.3 |

3.2 Do the society's registered rules allow the society not to undertake a full professional audit?

- ☐ No
☐ Yes

3.3 Has the membership passed at a general meeting a resolution allowing the society not to undertake a full professional audit for the year of account in question? (In accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014)

- ☐ No
☐ Yes

4

Accounts and signature

Accounts

4.1 Date on which the accounts and balance sheet will be/were laid before the AGM (dd/mm/yyyy)

1	9	/	0	5	/	2	0	1	6
---	---	---	---	---	---	---	---	---	---

4.2 Has your society produced accounts to the minimum standard required?

☒ Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members. ☒ Attached

☐ No ▶ you must produce accounts to the minimum standard required, see notes for details.

Signature – all societies to complete

4.3 The Secretary of the society must sign and date below

I certify that the information in this form is correct to the best of my knowledge and belief.

Name	Martin Goodchild
Signature	<i>M. S. Goodchild</i>
Phone number	01638 742922
Email	martin.goodchild@delta-t.co.uk
Date	13 June 2016

DELTA-T DEVICES LIMITED

Financial Statements

31 December 2015

DELTA-T DEVICES LIMITED

FINANCIAL STATEMENTS 2015

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DELTA-T DEVICES LIMITED

STATEMENT OF THE COMMITTEE OF MANAGEMENT RESPONSIBILITIES

The Committee of Management is responsible for preparing the financial statements in accordance with applicable law and regulations.

Industrial and Provident Societies law requires the Committee of Management to prepare such financial statements for each financial year. Under that law the Committee of Management has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the society and of the profit or loss of the society for that period. In preparing those financial statements, the Committee of Management is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 society will continue in business.

The Committee of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable it to ensure that the financial statements comply with the The Co-operative and Community Benefit Societies Act 2014. It is also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

In the case of each of the persons who is a member of the Committee of Management at the date when this report is approved:

- so far as each member of the Committee of Management is aware, there is no relevant audit information (as defined in the The Co-operative and Community Benefit Societies Act 2014) of which the society's auditor is unaware; and
- each of the members of the Committee of Management has taken all the steps that it ought to have taken as the Committee of Management to make itself aware of any relevant audit information and to establish that the society's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the The Co-operative and Community Benefit Societies Act 2014.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DELTA-T DEVICES LIMITED

We have audited the financial statements of Delta-T Devices Limited for the year ended 31 December 2015 which comprise the income and expenditure account, the balance sheet, the reconciliation of movements in members' funds and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the society's members, as a body, in accordance with The Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the committee of management and auditor

As explained more fully in the Statement of the Committee of Management's Responsibilities, the committee of management is responsible for the preparation of financial statements which 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 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 annual report 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 society's affairs as at 31 December 2015 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been properly prepared in accordance with the The Co-operative and Community Benefit Societies Act 2014.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DELTA-T DEVICES LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the The Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.



Stuart Henderson ACA (Senior Statutory Auditor)
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

25 May 2016

DELTA-T DEVICES LIMITED

INCOME AND EXPENDITURE ACCOUNT Year ended 31 December 2015

	Note	2015 £	2014 £
INCOME	2	3,462,207	3,539,312
Cost of sales		(1,640,006)	(1,550,218)
Gross surplus		<u>1,822,201</u>	<u>1,989,094</u>
EXPENDITURE			
Selling and distribution		(335,375)	(340,704)
Marketing		(539,733)	(512,713)
Research and development		(679,836)	(559,796)
Product support		(130,445)	(133,965)
Administration		(369,194)	(349,693)
		<u>(2,054,583)</u>	<u>(1,896,871)</u>
OPERATING (DEFICIT)/SURPLUS	4	(232,382)	92,223
Interest receivable	5	<u>5,293</u>	<u>9,919</u>
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(227,089)	102,142
Tax credit on (deficit)/surplus on ordinary activities	6	<u>129,844</u>	<u>49,361</u>
(DEFICIT)/SURPLUS RETAINED FOR THE FINANCIAL YEAR	16	<u>(97,245)</u>	<u>151,503</u>

DELTA-T DEVICES LIMITED

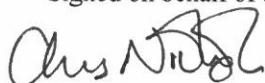
BALANCE SHEET 31 December 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	362,704	374,979
Investments	8	20	20
		<u>362,724</u>	<u>374,999</u>
CURRENT ASSETS			
Stocks and work in progress	9	399,970	451,179
Debtors	10	444,100	340,522
Cash at bank and held on deposit	11	670,137	832,213
		<u>1,514,207</u>	<u>1,623,914</u>
CREDITORS: amounts falling due within one year	12	<u>(364,971)</u>	<u>(298,219)</u>
NET CURRENT ASSETS		<u>1,149,236</u>	<u>1,325,695</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,511,960	1,700,694
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(12,000)</u>	<u>(12,868)</u>
NET ASSETS		<u>1,499,960</u>	<u>1,687,826</u>
FINANCED BY:			
Members' funds:			
Share capital	14	85	85
General reserve	16	1,282,116	1,472,742
Donated capital		54,360	54,360
Socially Useful Fund	15	12,892	14,513
Revaluation reserve	16	150,507	146,126
NET FUNDS EMPLOYED		<u>1,499,960</u>	<u>1,687,826</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the Committee of Management on 19/05/2016.

Signed on behalf of the Committee of Management



C Nicholl



M Soames



M Goodchild
Secretary

DELTA-T DEVICES LIMITED

RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS **Year ended 31 December 2015**

	2015	2014
	£	£
(Deficit)/surplus for the financial year	(97,245)	151,503
Increase in share capital	-	1
Dividends paid (Industrial & Provident distribution note 18)	(74,000)	(185,000)
Socially Useful Fund	(16,621)	(16,378)
Opening members' funds	<u>1,687,826</u>	<u>1,737,700</u>
Closing members' funds	<u><u>1,499,960</u></u>	<u><u>1,687,826</u></u>

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). The particular accounting policies adopted are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold property.

Going concern

The society reported a small reduction in turnover in 2015 due to changes in geographical demand in the worldwide market for our products, combined with a continued effort by members to control costs. The business made a planned loss which leaves the company with a strong balance sheet with significant cash reserves at bank remaining. Forecasts have been prepared to 31 December 2016 showing a continuation in the underlying profitability of the business, together with a significant investment in new products. Post year-end sales to 31 March 2016 are ahead of target and the society feels the remainder of the year will meet budgetary targets.

The Management Committee therefore has a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future and is well placed to manage its business risks successfully. Accordingly, it continues to adopt the going concern basis in preparing the annual report and accounts.

Turnover

Turnover is the amount derived from the provision of goods and services falling within the society's ordinary activities, after deduction of trade discounts and value added tax.

Research and development

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

Taxation

Current tax is provided at amounts 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 is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

The transitional arrangements of FRS 15 have been adopted in the case of freehold land and buildings, where the valuation of £360,000 has not been updated since January 2000. The society has opted to freeze the value of the freehold land and buildings at the previously revalued amount.

Depreciation is not provided on freehold land.

On other assets depreciation is provided on cost or valuation in equal annual instalments over the estimated useful lives of the assets, which are:

Buildings	50 years
Plant and machinery	4 years
Fixtures and fittings	5 years
Office equipment	4 years
Computer software	3 years
Instrumentation	2 years
Special tooling	2 years
Computer hardware and peripherals	4 years

Investments

Investments held as fixed assets are stated at cost less provision for any permanent impairment in value.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost represents materials and appropriate production overheads.

Pensions

The society operates a defined contribution pension scheme. The pension costs represent the amount of contributions payable to the pension scheme in respect of the accounting period.

Cash flow statement

The society has taken advantage of the exemption afforded to small companies not to prepare a cash flow statement.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate ruling at that date.

Invoices received and raised in a foreign currency are converted into sterling at the rate ruling at the date of receipt, or a rate predetermined at the start of each month. Upon payment or receipt of the invoices the difference between the sterling equivalent and the converted amount is written off as a profit or loss on exchange.

Leases

Operating lease rentals are charged to profit and loss in equal annual amounts over the lease term.

Provisions

The society performs remedial work under warranty within 24 months of delivery of goods at no additional cost and on any goods sold in previous periods which have been recalled.

Provisions are made for the anticipated costs of such remedial work expected to be required in respect of goods recalled in previous periods or goods sold in the financial period.

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

2. ANALYSIS OF TURNOVER

The turnover attributable to each of the society's geographical markets is:

	2015 £	2014 £
United Kingdom	473,147	467,799
Rest of Europe	1,153,799	926,935
Asia and Middle East	1,192,273	1,413,081
Africa	97,069	144,326
Central America	25,493	54,733
North America	290,072	242,333
South America	142,363	152,960
Australia	87,991	137,145
	<u>3,462,207</u>	<u>3,539,312</u>

3. INFORMATION REGARDING EMPLOYEES

	2015 No	2014 No
Average number of persons employed		
Manufacturing staff	12	12
Support staff	2	2
Administration and sales staff	11	12
Research and development staff	13	13
	<u>38</u>	<u>39</u>
	£	£
Staff costs during the year		
Wages and salaries	1,353,229	1,330,083
Social security costs	139,637	138,572
Other pension costs	141,325	106,798
	<u>1,634,191</u>	<u>1,575,453</u>

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

4. OPERATING (DEFICIT) SURPLUS

	2015 £	2014 £
Operating (deficit) surplus is after charging (crediting):		
Depreciation - owned assets	38,411	41,754
Loss on sale of fixed assets	893	365
The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual accounts	12,000	12,000
Foreign exchange loss/(gain)	19,083	(54,371)
	<u>19,083</u>	<u>(54,371)</u>

5. INTEREST RECEIVABLE

	2015 £	2014 £
Bank interest receivable	5,293	9,919
	<u>5,293</u>	<u>9,919</u>

6. TAX ON (DEFICIT) SURPLUS ON ORDINARY ACTIVITIES

	2015 £	2014 £
Current taxation		
Corporation tax at 20% (2014 - 21.49%)		
Research and development tax credit	(125,920)	(50,948)
Adjustment in respect of prior years	-	(464)
	<u>(125,920)</u>	<u>(51,412)</u>
Deferred tax		
Origination and reversal of timing differences	(3,918)	2,727
Adjustment in respect of prior years	(6)	(676)
	<u>(3,924)</u>	<u>2,051</u>
	<u>(129,844)</u>	<u>(49,361)</u>

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

7. TANGIBLE FIXED ASSETS

	Cost/Valuation			
	Total brought forward £	Additions £	Disposals £	Total carried forward £
Freehold land and buildings	381,518	-	-	381,518
Plant and machinery	137,125	1,500	(3,258)	135,367
Fixtures and fittings	197,213	11,133	-	208,346
Office equipment	15,661	-	-	15,661
Computer software	115,324	-	(1,023)	114,301
Instrumentation	66,241	-	(4,442)	61,799
Special tooling	34,901	4,500	-	39,401
Computer hardware and peripherals	98,598	10,100	-	108,698
	<hr/> 1,046,581	<hr/> 27,233	<hr/> (8,723)	<hr/> 1,065,091

	Depreciation			
	Total brought forward £	Charge in year £	Eliminated on disposals £	Total carried forward £
Freehold land and buildings	81,708	5,444	-	87,152
Plant and machinery	122,871	6,960	(2,161)	127,670
Fixtures and fittings	164,377	9,269	-	173,646
Office equipment	15,670	(9)	-	15,661
Computer software	111,890	2,274	(1,023)	113,141
Instrumentation	64,868	1,072	(4,442)	61,498
Special tooling	34,427	1,595	-	36,022
Computer hardware and peripherals	75,791	11,806	-	87,597
	<hr/> 671,602	<hr/> 38,411	<hr/> (7,626)	<hr/> 702,387
Net book value				

Net book value

At 31 December 2015

362,704

At 31 December 2014

374,979

The transitional arrangements of FRS 15 have been adopted in the case of freehold land and buildings, where the valuation of £360,000 has not been updated since January 2000. The society has opted to freeze the value of the freehold land and buildings at the previously revalued amount, plus subsequent additions at cost.

The comparable amounts for freehold land and buildings under the historical cost convention are:

	2015 £	2014 £
Cost	253,923	253,923
Accumulated depreciation	<u>103,643</u>	<u>99,660</u>
Net book value	<u>150,280</u>	<u>154,263</u>

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2015

8. INVESTMENTS HELD AS FIXED ASSETS

	2015 £	2014 £
Other investments and loans	20	20

9. STOCKS AND WORK IN PROGRESS

	2015 £	2014 £
Raw materials and consumables	391,040	427,078
Finished goods	19,575	7,346
Work in progress	40,109	67,815
Provision	(50,754)	(51,060)
	399,970	451,179

10. DEBTORS

	2015 £	2014 £
Trade debtors	233,479	216,366
Research and development tax credits	125,920	50,948
RDEC	5,524	-
Prepayments and accrued income	57,741	48,529
Other debtors	16,977	24,679
Deferred tax asset (note 13)	4,459	-
	444,100	340,522

All debtors are recoverable within one year.

11. CASH AT BANK AND HELD ON DEPOSIT

	2015 £	2014 £
Cash at bank	535,137	527,213
Cash held on deposit	135,000	305,000
	670,137	832,213

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	196,573	168,041
Taxation and social security	37,320	40,810
Other creditors	19,316	-
Accruals and deferred income	111,762	89,368
	<u>364,971</u>	<u>298,219</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

Provisions	2015 £	2014 £
Warranty provision	12,000	12,000
Deferred tax	-	868
	<u>12,000</u>	<u>12,868</u>

Deferred tax	2015 £	2014 £
Liability (asset) brought forward	868	(1,183)
Profit and loss account (credit) charge	(3,924)	2,051
RDEC carried forward	(1,403)	-
(Asset) liability carried forward	<u>(4,459)</u>	<u>868</u>

The source of the balance on the deferred tax account is as follows:

	2015		2014	
	Provided £	Not provided £	Provided £	Not provided £
Capital allowances in excess of depreciation	2,842	-	4,659	-
Short term timing differences	(7,301)	-	(3,791)	-
	<u>(4,459)</u>	<u>-</u>	<u>868</u>	<u>-</u>

No provision has been made for potential deferred tax on the property revaluation as the society is not intending to selling the property in the foreseeable future. The potential corporation tax arising on disposal of the property at the revalued amount is estimated at £nil (2014 - £nil).

Warranty provision

The provision for warranties relates to expected warranty repairs in the coming two years on products sold by the organisation.

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

14. CALLED UP SHARE CAPITAL

	2015 £	2014 £
Current members	35	37
Forfeited capital of former members	50	48
	<u>85</u>	<u>85</u>

During the year no (2014 - one) members were admitted, two (2014 - one) members ceased and the share capital of these former members was forfeited (2014 - one).

15. SOCIALLY USEFUL FUNDS

	SU Fund £
At 1 January 2015	14,513
Donations for social and charitable objects	(16,621)
Distribution	<u>15,000</u>
At 31 December 2015	<u>12,892</u>

Subsequent to the year end the Management Committee declared a distribution of £Nil (2014 - £15,000) to be made available to the Socially Useful Fund

16. STATEMENT OF MOVEMENTS ON RESERVES

	Revaluation reserve £	General reserve £
At 1 January 2015	146,126	1,472,742
Deficit for the year	-	(97,245)
Distribution allocated to Socially Useful Fund	-	(15,000)
Dividends paid (Industrial & Provident distribution note 18)	-	(74,000)
Excess depreciation on revaluation reserve	4,381	(4,381)
At 31 December 2015	<u>150,507</u>	<u>1,282,116</u>

DELTA-T DEVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

17. PENSION COSTS

The society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the society in an independently administered fund. The pension cost charge represents contributions payable by the society to the fund and amounted to £141,325 (2014 - £106,798).

18. DIVIDENDS

A final Industrial & Provident distribution for 2014 of £74,000 (£2,000 per member) was declared and paid in 2015.

The distribution declared after 31 December 2015 totalled £Nil (£Nil per current members' share).

19. ULTIMATE CONTROLLING PARTY

The Society is a workers co-operative with is controlled by its members.

The members vote on an annual basis to elect the directors of the co-operative.