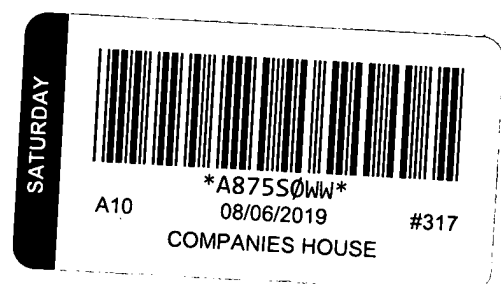


---

**MEECH STATIC ELIMINATORS LIMITED**

---

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2018**



---

## MEECH STATIC ELIMINATORS LIMITED

---

### COMPANY INFORMATION

---

<b>Directors</b>	C J S C Francis FCA FRSA G C S C Francis BA (Oxon) D C B Rogers A M Battrick A E Caddy BSc MBA ACMA CGMA I R Cameron P H Tudor MA (Oxon) MBA S J Lewis BA hons, MCIPD, PGDip
<b>Company secretary</b>	G C S C Francis BA (Oxon)
<b>Registered number</b>	1525004
<b>Registered office</b>	2 Network Point Range Road Witney OX29 0YN
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditors The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
<b>Bankers</b>	Svenska Handelsbanken AB West Way Oxford OX2 0JJ

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**CONTENTS**

---

	Page
<b>Strategic Report</b>	1 - 2
<b>Directors' Report</b>	3 - 5
<b>Independent Auditor's Report</b>	6 - 8
<b>Statement of Comprehensive Income</b>	9
<b>Balance Sheet</b>	10
<b>Statement of Changes in Equity</b>	11
<b>Notes to the Financial Statements</b>	12 - 29

---

## **MEECH STATIC ELIMINATORS LIMITED**

---

### **STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

#### **Introduction**

The Directors present their Strategic report for Meech Static Eliminators Limited for the year ended 30 September 2018. These are entity financial statements. The group results are included in the financial statements of the parent company, Meech International Limited.

#### **Business review**

Meech Static Eliminators Limited continued throughout the current year its principal activities being the research, development and production of equipment for the control of static electricity, web cleaning and other related contamination control technologies.

As reported in the Company's Statement of Comprehensive Income, sales have increased from £7,128,452 to £8,423,691 due to an improvement in market conditions. Profit after tax has decreased from £990,532 to £896,109.

The balance sheet shows that the Company's net assets at the year-end have increased from £3,827,573 to £4,309,482. This is due to improved performance.

#### **Principal risks and uncertainties**

Management continually monitor the key risks facing the Company together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the company are:

- The continuing uncertain worldwide economic climate;
- Political changes worldwide.
- The currency exposure experienced as a result of its extensive export activity;
- Brexit - the Company is very aware of the current uncertainties surrounding Brexit. The potential disruption to the flow of goods to and from the EU and the changes in tariff rates will potentially impact our business in the short term as Meech exports over 40% of turnover to the Eurozone and relies on some importation of components. Contingency planning undertaken includes understanding the effect of raw material supply from the Eurozone on our supply base, increasing finished good stocks held in European subsidiaries to ensure Meech can meet all customer demands, plus monitoring stocks of critical components.

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**Financial key performance indicators**

There are a number of performance measures used to monitor and manage the business as set out below:

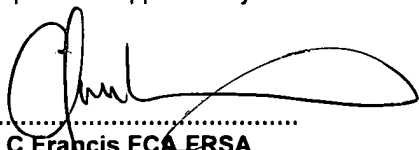
**Profit ratios:**

Gross profit margin	52.2%	(2017: 54.6%)
Operating profit	11.8%	(2017: 12.0%)
Profit before tax	11.8%	(2017: 15.3%)

**Activity ratios:**

Debtor days	50 days	(2017: 44 days)
Creditor days	40 days	(2017: 48 days)
Stock days	51 days	(2017: 48 days)

This report was approved by the board and signed on its behalf.



.....  
**C J S C Francis FCA ERSA**  
Director

Date:

20<sup>th</sup> April 2019

---

## MEECH STATIC ELIMINATORS LIMITED

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

The Directors present their report and the financial statements for the year ended 30 September 2018.

#### Principal activities

Meech Static Eliminators Limited continued its principal activities throughout the year, being the manufacture of equipment for the control of static electricity, web cleaning and other related contamination control technologies.

#### Results and dividends

The profit for the year, after taxation, amounted to £896,110 (2017 - £990,532).

Interim dividends totalling £414,200 (2017: £517,750) have been paid during the year. The Directors have not recommended a final dividend (2017: £Nil).

#### Directors

The Directors who served during the year were:

C J S C Francis FCA FRSA  
G C S C Francis BA (Oxon)  
D C B Rogers  
A M Battrick  
A E Caddy BSc MBA ACMA CGMA  
I R Cameron  
P H Tudor MA (Oxon) MBA  
S J Lewis BA hons, MCIPD, PGDip (appointed 1 May 2018)

#### Research and development activities

The Company continues to undertake significant research and development into new equipment for the control of static electricity, web cleaning and other related contamination control technologies.

#### Corporate Social Responsibility

The Company continues to recognise its social responsibilities, and understands the importance of the contribution that the Company can make. The Company actively manages its CSR, specifically its responsibility to the local community. With this in mind in 2013 the Company launched the Meech Centenary Trust managed by the Oxfordshire Community Foundation and since the launch employees of Meech have supported this fund by undertaking additional fundraising events. Donations in 2018 amounted to £20,000 (2017: £20,000). The Meech Centenary Trust fund at the year-end was £161,520 (2017: £111,044) and we continue to make grants out of income to support a local UK charity to aid young people in the Oxfordshire area; specifically Base33 and OCVA in the year.

In addition, two further initiatives have been introduced in the year, these being:

- The sponsorship of a new West Oxfordshire Business Awards (WOBA) for Business and Community. This recognises a company's contribution to its local community for which there is no direct financial benefit. The first award was awarded in March 2019.
- The creation of the West Oxfordshire Business Partnership. This will focus on working in partnership with other local businesses and schools and colleges to help prepare young people of all ages for work and support local charities who are already working to improve educational attainment.

Additional donations of £655 (2017: £717) were made to other UK charitable organisations during the year.

---

## MEECH STATIC ELIMINATORS LIMITED

---

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

#### Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1.

#### Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, the Directors' report 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 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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 to 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.

#### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### Post balance sheet events

On the 20 March 2019 the Company paid a first interim dividend totalling £155,325 in respect of 2018/2019.

The land and building in the USA was sold in December 2018 and a larger building leased..

---

**MEECH STATIC ELIMINATORS LIMITED**

---

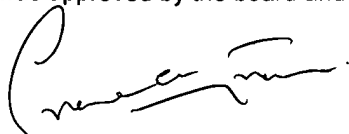
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....  
**G C S C Francis BA (Oxon)**  
Director

Date: 25 April 2019



---

## **MEECH STATIC ELIMINATORS LIMITED**

---

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEECH STATIC ELIMINATORS LIMITED**

---

#### **Opinion**

We have audited the financial statements of Meech Static Eliminators Limited (the 'Company') for the year ended 30 September 2018 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and 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 FRS 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 30 September 2018 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 Auditor's 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.

#### **The impact of uncertainties due to Britain exiting the European Union on our audit**

The Directors' view on the impact of Brexit is disclosed on page 1.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

---

## **MEECH STATIC ELIMINATORS LIMITED**

---

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEECH STATIC ELIMINATORS LIMITED**

---

#### **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 included in the annual report, other than the financial statements and our auditor's report 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In 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 Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

---

## MEECH STATIC ELIMINATORS LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEECH STATIC ELIMINATORS LIMITED

---

#### Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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 is 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

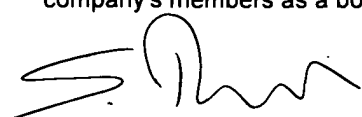
#### Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of the audit 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Samantha Russell (Senior statutory auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditors  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 28<sup>th</sup> April 2019

---

MEECH STATIC ELIMINATORS LIMITED

---

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

	Note	2018 £	2017 £
Turnover	4	8,243,691	7,128,452
Cost of sales		(3,940,659)	(3,237,269)
<b>Gross profit</b>		<u>4,303,032</u>	<u>3,891,183</u>
Administrative expenses		(3,334,135)	(3,034,264)
<b>Operating profit</b>	5	<u>968,897</u>	<u>856,919</u>
Income from shares in group undertakings		-	231,730
Interest receivable and similar income	9	<u>1,185</u>	<u>689</u>
<b>Profit before tax</b>		<u>970,082</u>	<u>1,089,338</u>
Tax on profit	10	(73,972)	(98,806)
<b>Profit for the financial year</b>		<u><u>896,110</u></u>	<u><u>990,532</u></u>

There was no other comprehensive income for 2018 (2017:£NIL).

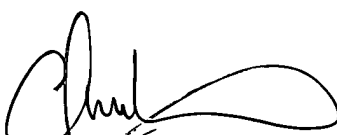
The notes on pages 12 to 29 form part of these financial statements.

**MEECH STATIC ELIMINATORS LIMITED**  
**REGISTERED NUMBER: 1525004**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	12	910,435	717,122
Tangible assets	13	638,535	478,866
Investments	14	255,662	261,452
		<u>1,804,632</u>	<u>1,457,440</u>
<b>Current assets</b>			
Stocks	15	1,504,567	1,236,343
Debtors: amounts falling due within one year	16	2,327,118	1,920,471
Cash at bank and in hand	17	771,900	1,070,037
		<u>4,603,585</u>	<u>4,226,851</u>
Creditors: amounts falling due within one year	18	(1,950,446)	(1,710,096)
<b>Net current assets</b>		<u>2,653,139</u>	<u>2,516,755</u>
<b>Total assets less current liabilities</b>		<u>4,457,771</u>	<u>3,974,195</u>
Creditors: amounts falling due after more than one year	19	(515)	(515)
<b>Provisions for liabilities</b>			
Deferred tax	20	(147,773)	(146,107)
		<u>(147,773)</u>	<u>(146,107)</u>
<b>Net assets</b>		<u><u>4,309,483</u></u>	<u><u>3,827,573</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	2	2
Profit and loss account	22	4,309,481	3,827,571
		<u><u>4,309,483</u></u>	<u><u>3,827,573</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**C J S C Francis FCA FRSA**  
 Director

Date: 25/4/19

The notes on pages 12 to 29 form part of these financial statements.

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2017	2	3,827,571	3,827,573
<b>Comprehensive income for the year</b>			
Profit for the year	-	896,110	896,110
<b>Total comprehensive income for the year</b>	-	896,110	896,110
Dividends: Equity capital	-	(414,200)	(414,200)
<b>Total transactions with owners</b>	-	(414,200)	(414,200)
<b>At 30 September 2018</b>	<b>2</b>	<b>4,309,481</b>	<b>4,309,483</b>

The notes on pages 12 to 29 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

---

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2016	2	3,354,789	3,354,791
<b>Comprehensive income for the year</b>			
Profit for the year	-	990,532	990,532
<b>Total comprehensive income for the year</b>	-	990,532	990,532
Dividends: Equity capital	-	(517,750)	(517,750)
<b>Total transactions with owners</b>	-	(517,750)	(517,750)
<b>At 30 September 2017</b>	<b>2</b>	<b>3,827,571</b>	<b>3,827,573</b>

The notes on pages 12 to 29 form part of these financial statements.

---

## MEECH STATIC ELIMINATORS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

#### 1. General information

Meech Static Eliminators Limited (the "Company") is a private company limited by shares, registered and incorporated in England and Wales (registered company number 1525004). The address of its registered office is 2 Network Point, Range Road, Witney, OX29 0YN.

The principal activity of the Company continued to be that of the manufacture of equipment for the control of static electricity, web cleaning and other related contamination control technologies.

The financial statements are prepared in Pounds Sterling as this is the functional currency of the economic environment in which the Company operates.

Monetary amounts in these financial statements are rounded to the nearest £.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Meech International Limited as at 30 September 2018 and these financial statements may be obtained from 2 Network Point, Range Road, Witney, OX29 0YN.

---

## **MEECH STATIC ELIMINATORS LIMITED**

---

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

#### **2. Accounting policies (continued)**

##### **2.3 Going concern**

The directors have considered the budgets and cash flow forecasts for the Company and confirmed that the Company will be able to meet its liabilities as they fall due and as such the financial statements have been prepared on a going concern basis.

##### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **2.5 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life.

Intellectual property rights are amortised over ten years on a straight line basis.

Licenses are amortised over the life of the license.

Under FRS 102 computer software is now classified as an intangible asset, so tangible assets include all computer software and website development that was previously recognised as a tangible asset before the date of transition.

Computer software and website development are amortised over three years on a straight line basis.



---

## MEECH STATIC ELIMINATORS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

## 2. Accounting policies (continued)

### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 10 years straight line
Short term leasehold property improvements	- 3 years straight line
Plant and machinery	- 7 years straight line
Fixtures and fittings	- 7 years straight line
Computer equipment	- 3 - 5 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

### 2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard of 1 October 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

---

## MEECH STATIC ELIMINATORS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

#### 2. Accounting policies (continued)

##### 2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of comprehensive income.

##### 2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**2. Accounting policies (continued)**

**2.12 Financial instruments (continued)**

difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is Pounds Sterling (£).

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

**2.15 Dividends**

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

---

## MEECH STATIC ELIMINATORS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

## 2. Accounting policies (continued)

### 2.16 Pensions

#### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is 3 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project. The expenditure is treated as if it were all incurred in the research phase only.

---

## MEECH STATIC ELIMINATORS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

---

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

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

The key estimates and assumptions made in these accounts are:

##### **Bad debt provision**

Bad debts are provided for on a specific basis, based on management's best estimate of recoverable amounts.

##### **Amortisation and depreciation**

Amortisation and depreciation is calculated on a straight line basis, based on management's best estimate of the useful economic lives of assets. Amortisation and depreciation policies can be seen in note 2.5 and 2.6 respectively.

##### **Stock**

The company does not value obsolete stock. The company has identified which stock should be zero valued given its knowledge of the relevant inventory lines.

#### 4. Turnover

The split of turnover between classes of markets as well as the geographical split of markets have both been omitted.

#### 5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Research & development charged as an expense	6,960	21,828
Depreciation of tangible fixed assets	100,801	101,356
Amortisation of intangible assets, including goodwill	229,858	185,263
Exchange differences	4,048	(29,782)
Operating lease rentals	167,371	152,036
Defined contribution pension cost	84,312	82,929

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**6. Auditor's remuneration**

	<b>2018 £</b>	<b>2017 £</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	8,400	8,150
	<u>8,400</u>	<u>8,150</u>
<b>Fees payable to the Company's auditor in respect of:</b>		
Fees payable for non-audit services	6,520	6,450
	<u>6,520</u>	<u>6,450</u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>2018 £</b>	<b>2017 £</b>
Wages and salaries	2,442,924	2,033,575
Social security costs	266,111	255,969
Cost of defined contribution scheme	84,312	82,929
	<u>2,793,347</u>	<u>2,372,473</u>

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

	<b>2018 No.</b>	<b>2017 No.</b>
Total employees	<u>66</u>	<u>51</u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**8. Directors' remuneration**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	735,933	690,462
Directors pension costs - money purchase schemes	29,116	27,632
	<u>765,049</u>	<u>718,094</u>

During the year retirement benefits were accruing to 7 directors (2017 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £228,749 (2017 - £229,010).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2017 - £10,000).

**9. Interest receivable**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other interest receivable	<u>1,185</u>	<u>689</u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**10. Taxation**

	<b>2018 £</b>	<b>2017 £</b>
<b>Corporation tax</b>		
Current tax on profits for the year	68,062	88,263
Adjustments in respect of previous periods	-	(782)
	<u>68,062</u>	<u>87,481</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	4,243	-
	<u>4,243</u>	<u>-</u>
<b>Total current tax</b>	<u>72,305</u>	<u>87,481</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,667	11,325
<b>Total deferred tax</b>	<u>1,667</u>	<u>11,325</u>
<b>Taxation on profit on ordinary activities</b>	<u>73,972</u>	<u>98,806</u>



---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 19.5%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	970,082	1,089,338
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.5%)	184,316	212,406
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,654	5,086
Adjustments to tax charge in respect of prior periods	-	(782)
Non-taxable income	(428)	(45,184)
Additional allowance for research and development expenditure	(116,656)	(72,340)
Fixed asset differences	1,628	1,091
Deferred tax not recognised	1,458	169
Differences in deferred tax rates for opening and closing amounts	-	(1,640)
<b>Total tax charge for the year</b>	<b>73,972</b>	<b>98,806</b>

**Factors that may affect future tax charges**

In the Finance Act 2016 further changes to the future rates of corporation tax were enacted on 15 September 2016. Under this legislation, the rate of corporation tax was reduced to 17% from April 2020.

**11. Dividends**

	2018 £	2017 £
Dividends paid on ordinary shares	414,200	517,750
	<b>414,200</b>	<b>517,750</b>

Ordinary dividends have been paid of £207,100 (2017 : £258,875) per share.

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**12. Intangible assets**

	Intellectual property rights £	Computer software and web development £	Licences £	Research and development £	Total £
<b>Cost</b>					
At 1 October 2017	163,608	384,076	30,000	1,601,040	2,178,724
Additions	442	88,640	-	334,089	423,171
At 30 September 2018	<u>164,050</u>	<u>472,716</u>	<u>30,000</u>	<u>1,935,129</u>	<u>2,601,895</u>
<b>Amortisation</b>					
At 1 October 2017	90,818	249,450	30,000	1,091,334	1,461,602
Charge for the year	7,378	58,325	-	164,155	229,858
At 30 September 2018	<u>98,196</u>	<u>307,775</u>	<u>30,000</u>	<u>1,255,489</u>	<u>1,691,460</u>
<b>Net book value</b>					
At 30 September 2018	<u><u>65,854</u></u>	<u><u>164,941</u></u>	<u><u>-</u></u>	<u><u>679,640</u></u>	<u><u>910,435</u></u>
At 30 September 2017	<u><u>72,790</u></u>	<u><u>134,626</u></u>	<u><u>-</u></u>	<u><u>509,706</u></u>	<u><u>717,122</u></u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**13. Tangible fixed assets**

	<b>Leasehold improve- ments £</b>	<b>S/Term Leasehold Property improvements £</b>	<b>Plant &amp; machinery £</b>	<b>Fixtures &amp; fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
At 1 October 2017	197,489	69,927	548,832	406,106	274,356	1,496,710
Additions	31,241	-	82,250	132,152	14,827	260,470
At 30 September 2018	<u>228,730</u>	<u>69,927</u>	<u>631,082</u>	<u>538,258</u>	<u>289,183</u>	<u>1,757,180</u>
<b>Depreciation</b>						
At 1 October 2017	48,727	69,248	370,930	266,882	262,057	1,017,844
Charge for the year on owned assets	16,526	678	48,755	32,371	2,471	100,801
At 30 September 2018	<u>65,253</u>	<u>69,926</u>	<u>419,685</u>	<u>299,253</u>	<u>264,528</u>	<u>1,118,645</u>
<b>Net book value</b>						
At 30 September 2018	<u>163,477</u>	<u>1</u>	<u>211,397</u>	<u>239,005</u>	<u>24,655</u>	<u>638,535</u>
At 30 September 2017	<u>148,762</u>	<u>679</u>	<u>177,902</u>	<u>139,224</u>	<u>12,299</u>	<u>478,866</u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**14. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 October 2017	261,452
Transfers intra group	(5,790)
At 30 September 2018	<u>255,662</u>
 <b>Net book value</b>	
At 30 September 2018	<u>255,662</u>
At 30 September 2017	<u>261,452</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Class of shares</b>
Meech Static Eliminators USA Inc	United States of America	100 %	Ordinary
Meech Static Eliminators (Shanghai)	China	100 %	Ordinary
Meech International (Singapore) Pte. Ltd	Singapore	100 %	Ordinary
Meech Elektrostatik SA	Belgium	60 %	Ordinary
Meech Air Technology Limited (dormant)	United Kingdom	100 %	Ordinary
Meech SCT Limited (dormant)	United Kingdom	100 %	Ordinary
Meech Static Eliminators (USA) Limited (dormant)	United Kingdom	100 %	Ordinary

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**14. Fixed asset investments (continued)**

The registered office for Meech Static Eliminators USA Inc is 2915 Newpark Drive, Norton, Ohio, 44203, United States of America.

The registered office for Meech Static Eliminators (Shanghai) is 7G, 7F, LP Tower, 25 Xianfeng Road, 201103, Shanghai, China.

The registered office for Meech Elektrostatik SA is Kaiserbaracke 166, 4780 St Vith, Belgium.

The registered office for Meech Air Technology Limited, Meech SCT Limited and Meech Static Eliminators (USA) Limited is 2 Network Point, Range Road, Witney, OX29 0YN.

The registered office of Meech International (Singapore) Pte. Ltd is 135 Cecil Street, #10-01, MYP, Singapore, 069 536.

**15. Stocks**

	2018 £	2017 £
Raw materials and finished goods	1,504,567	1,236,343

Stock recognised in cost of sales during the year as an expense was £2,759,520 (2017 - £2,278,593) .

Slow moving and obsolete stock is held at nil value.

**16. Debtors**

	2018 £	2017 £
Trade debtors	618,363	891,013
Amounts owed by group undertakings	1,320,630	762,317
Other debtors	206,728	135,568
Prepayments and accrued income	181,397	131,573
	<u>2,327,118</u>	<u>1,920,471</u>

**17. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	771,900	1,070,037

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**18. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	1,141,339	830,431
Amounts owed to group undertakings	129,394	159,037
Corporation tax	16,822	72,264
Other taxation and social security	59,511	51,101
Other creditors	15,823	15,376
Accruals and deferred income	587,557	581,887
	<u>1,950,446</u>	<u>1,710,096</u>

**19. Creditors: Amounts falling due after more than one year**

	2018 £	2017 £
Discontinued pension scheme	515	515
	<u>515</u>	<u>515</u>

**20. Deferred taxation**

	2018 £
At beginning of year	(146,107)
Charged to Statement of comprehensive income	(1,666)
<b>At end of year</b>	<u>(147,773)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(148,002)	(146,107)
Other timing differences	229	-
	<u>229</u>	<u>-</u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**21. Share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
2 (2017 - 2) Ordinary shares of £1.00 each	2	2
	<u>2</u>	<u>2</u>

The Company has one class of ordinary share. Each share carries with it one voting right and no share has any right to fixed income.

**22. Reserves**

**Profit & loss account**

The Profit and Loss Account reserve represents the cumulative profits and losses of the Company after the payment of dividends.

**23. Pension commitments**

During the year £84,312 (2017: £70,375) was paid by the Company into personal pension schemes.

An accrual of £833 (2017: £1,378) of unpaid pension contributions is included within other creditors.

At 30 September 2018 a balance of £515 (2017: £515) was due to an old pension scheme, and has been included in note 19. An additional £Nil (2017: £Nil) is classified as due within one year.

**24. Commitments under operating leases**

At 30 September 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	130,007	104,958
Later than 1 year and not later than 5 years	504,857	354,000
Later than 5 years	708,000	796,500
	<u>1,342,864</u>	<u>1,255,458</u>
	<u>1,342,864</u>	<u>1,255,458</u>
	2018 £	2017 £
Not later than 1 year	33,926	38,610
Later than 1 year and not later than 5 years	9,992	43,918
	<u>43,918</u>	<u>82,528</u>
	<u>43,918</u>	<u>82,528</u>

---

**MEECH STATIC ELIMINATORS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

---

**25. Related party transactions**

The Company has taken advantage of the exemption available in accordance with FRS 102, Section 33 Related Party Disclosures, not to provide disclosures of transactions entered into with other wholly owned members of the Group.

During the year, the Company made sales of £1,552,387 (2017: £879,691) and management charges of £402,545 (2017: £256,963) to Meech Elektrostatik, S.A. a 60% owned subsidiary. As at the year end £501,015 (2017: £452,704) was owed by Meech Elektrostatik, S.A..

**26. Post balance sheet events**

On 20 March 2019 the Company paid a first interim dividend totalling £155,325 in respect of 2018/2019.

The land and building in the USA was sold in December 2018 and a larger building leased.

**27. Controlling party**

In the opinion of the directors the Company's immediate and ultimate parent undertaking is Meech International Limited, a company incorporated in England and Wales.

In the opinion of the directors the Company is controlled by CJSC Francis, a director, by virtue of his shareholding in the ultimate parent undertaking, Meech International Limited.

Group accounts are prepared by the ultimate parent undertaking, Meech International Limited, and are available from Companies House.