

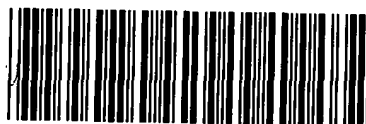
Company Registration No. 2345696

ROMAX TECHNOLOGY LTD

Annual Report and Consolidated Financial Statements

31 March 2015

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ROMAX TECHNOLOGY LTD

Report and financial statements 2015

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ROMAX TECHNOLOGY LTD

Strategic report

The principle activity of the group is the sale of software and consultancy services, specifically in power transmission and rotor dynamics on both a national and international basis.

The key performance indicators used by management to assess the development of the business are analysed below:

Turnover for the year ended March 2015 was £18.8m (2014: £15.7m)

The operating profit for the year ended March 2015 was £0.0m (2014: £1.5m loss)

Operating cash inflow for the year ended March 2015 was £1.4m (2014: £1.0m outflow)

The group has net assets of £4.4m (2014: £4.5m), including £4.7m (2014: £4.5m) of cash at bank and in hand.

Average headcount, one of the Group's key non-financial measures increased from 218 at March 2014 to 235 at March 2015.

During the year £1.3m of government grants were received to support some of our specific research and development activities.

The directors are confident of continued development and growth within the existing business, both in the UK and overseas operations.

Key Performance Indicators

The Directors monitor a number of financial key performance indicators including invoicing contract backlog, revenue and sales pipeline growth, operating profit and cash generated from operations. The directors also monitor non-financial key performance indicators including customer satisfaction levels, headcount, staff utilisation and retention.

Principal risks and uncertainties

The following are the principal risks to the achievement of the Group's strategic objectives. The Group has risk management processes in place for risks across the business.

Customers and markets

The Group is dependent on a dynamic market place exposed to many external pressures and macroeconomic factors, which could result in delayed orders or loss of business. These risks are mitigated by a broad diversification across a variety of sectors and regions.

Technology and innovation

The business has to continually innovate and develop new technologies to meet customer needs and to maintain its market position. To manage this risk the business invests, in conjunction with key customers and partners, a substantial amount of resources on research and technology development.

People

Attracting and retaining the best talent is essential to delivering the strategy. This risk is managed via proactive recruitment and internal talent management.

Contract performance

A significant proportion of the Group's revenue arises from fixed price consultancy contracts exposed to reduced margins if costs and liabilities to complete these contracts increase from their initial estimates. These risks are proactively managed by clearly defined bid controls and project management processes.

Compliance with laws and regulations

The Group's activities are subject to a wide range of international laws and regulations, and third parties may obtain patent or other proprietary rights that could restrict our ability to sell our products or services. To mitigate these risks the Group takes external professional advice where considered necessary and actively certifies the origins of its products and services through patent searches and protections

ROMAX TECHNOLOGY LTD

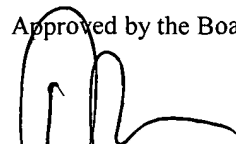
Strategic report

Principal risks and uncertainties (continued)

Financial risks

The principal financial risks are disclosed in the directors' report.

Approved by the Board and signed on its behalf by:



Mr A Hoon
Director
2nd October 2015

Romax Technology Ltd
Romax Technology Centre
University of Nottingham Innovation Park
Nottingham
NG7 2TU

ROMAX TECHNOLOGY LTD

Directors' report

The directors present their annual report on the affairs of the group, together with the financial statements for the year ended 31 March 2015.

Principal activities

The principal activity of the group is the sale of software and consultancy services, specifically in power transmission and rotor dynamics, on both a national and international basis.

The subsidiary and associated undertakings principally affecting the profits or net assets of the group in the year are listed in note 10 to the financial statements.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of signing this report.

The group's forecast and projections are based on current performance conditions where the business is trading in line with expectations. Future available cash has been determined by applying conservative assumptions to the group's forecasts and projections, taking account of downside risks of future trading performance. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in note 1 of the financial statements.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The company does not use derivative financial instruments.

Cash flow risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

Foreign exchange forward contracts are not used to hedge these risks and net exchange rate risk is reviewed after natural hedging on a contract basis.

Credit risk

The company's principal financial assets are bank balances, cash and trade receivables.

The principal credit risk is in respect of its trade receivables. Contract cashflow is actively monitored and terms include upfront payments to ensure projects remain cash positive over the delivery period wherever possible.

The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance is made when there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long and short term finance which is made available from finance companies, investors and its bankers. Further details regarding the liquidity risk can be found in the statement of accounting policies in the financial statements.

Dividends

The directors recommend that no dividend be paid on the ordinary shares (2014: £Nil).

ROMAX TECHNOLOGY LTD

Directors' report

Directors

The directors, who served throughout the year and subsequently, were as follows:

Dr S Y Poon

Mr A Poon

Mr R Irons

Mrs N J McCabe

Mr J Behrendt (appointed 23 March 2015)

Mr P J Magowan (resigned 23 March 2015)

Mr M Wells

Company Secretary: FIL Administration Limited

Directors indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Supplier payment policy

The group's policy is to agree terms of payment with suppliers when agreeing the terms of each transaction, to ensure that suppliers are made aware of the terms of payment. Trade creditors of the group at 31 March 2015 were equivalent to 34 (2014: 24) days' purchases, based on the average daily amount invoiced by suppliers during the year.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group and the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group and the company. This is achieved through regular formal and informal communication meetings, along with the company magazine. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Post balance sheet events

There were no significant events following the year end that require additional disclosure or materially impact upon the results contained within this report.

ROMAX TECHNOLOGY LTD

Directors' report (continued)

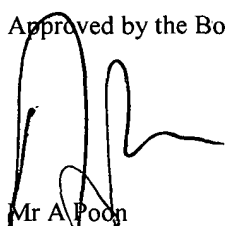
AUDITOR

Each of the persons who are a director at the date of approval of this report confirms 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 he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Mr A Poon
Director
2nd October 2015

Romax Technology Ltd
Romax Technology Centre
University of Nottingham Innovation Park
Nottingham
NG7 2TU

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 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 group 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROMAX TECHNOLOGY LTD

We have audited the financial statements of Romax Technology Ltd for the year ended 31 March 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 group's and of the parent company's affairs as at 31 March 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Alistair Pritchard FCA

Alistair Pritchard FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

5 October 2015

ROMAX TECHNOLOGY LTD

Consolidated profit and loss account Year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Turnover		18,790	15,724
Cost of sales		(8,281)	(7,765)
Gross profit		10,509	7,959
Other operating expenses		(10,469)	(9,457)
Operating profit/(loss)		40	(1,498)
Finance income (net)	2	9	7
Profit/(loss) on ordinary activities before taxation	3	49	(1,491)
Tax on profit/(loss) on ordinary activities	6	(181)	(81)
Loss on ordinary activities after taxation, being loss for the year	16	(132)	(1,572)

All the above results derive from continuing activities.

Consolidated statement of total recognised gains and losses Year ended 31 March 2015

	2015 £'000	2014 £'000
Loss for the year	(132)	(1,572)
Currency translation difference on foreign subsidiaries	(15)	3
Total gains and losses recognised since the last annual report and financial statements	(147)	(1,569)

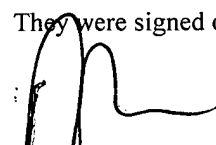
ROMAX TECHNOLOGY LTD

Consolidated balance sheet 31 March 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	9	1,624	1,220
		<u>1,624</u>	<u>1,220</u>
Current assets			
Debtors	11	6,411	5,263
Cash at bank and in hand		4,717	4,466
		<u>11,128</u>	<u>9,729</u>
Creditors: amounts falling due within one year	12	<u>(8,386)</u>	<u>(6,436)</u>
Net current assets		<u>2,742</u>	<u>3,293</u>
Total assets less current liabilities		4,366	4,513
Provision for liabilities	13	<u>-</u>	<u>-</u>
Net assets		<u>4,366</u>	<u>4,513</u>
Capital and reserves			
Called-up share capital	14	102	102
Share premium account	15	9,081	9,081
Profit and loss account	15	<u>(4,817)</u>	<u>(4,670)</u>
Shareholders' funds	16	<u>4,366</u>	<u>4,513</u>

The financial statements of Romax Technology Ltd (registered number 2345696) were approved by the board of directors and authorised for issue on 2nd October 2015

They were signed on its behalf by:



Mr A Poon
Director

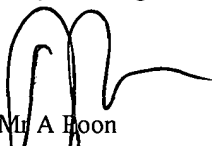
ROMAX TECHNOLOGY LTD

Company balance sheet 31 March 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	9	1,284	1,024
Investments	10	373	373
		<u>1,657</u>	<u>1,397</u>
Current assets			
Debtors	11	7,435	6,226
Cash at bank and in hand		3,675	3,584
		<u>11,110</u>	<u>9,810</u>
Creditors: amounts falling due within one year	12	<u>(8,295)</u>	<u>(6,561)</u>
Net current assets		<u>2,815</u>	<u>3,249</u>
Total assets less current liabilities		<u>4,472</u>	<u>4,646</u>
Provision for liabilities	13	<u>-</u>	<u>-</u>
Net assets		<u><u>4,472</u></u>	<u><u>4,646</u></u>
Capital and reserves			
Called-up share capital	14	102	102
Share premium account	15	9,081	9,081
Profit and loss account	15	<u>(4,711)</u>	<u>(4,537)</u>
Shareholders' funds		<u><u>4,472</u></u>	<u><u>4,646</u></u>

The financial statements of Romax Technology Ltd (registered number 2345696) were approved by the board of directors and authorised for issue on 2nd October 2015

They were signed on its behalf by:


Mr A Hoon
Director

ROMAX TECHNOLOGY LTD

Consolidated cash flow statement Year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Net cash inflow/(outflow) from operating activities	17	1,405	(1,032)
Returns on investments and servicing of finance	18	9	7
Taxation	18	(235)	(69)
Capital expenditure and financial investment	18	(928)	(697)
Cash inflow/(outflow) before management of liquid resources and financing		251	(1,791)
Financing		-	-
Increase/(decrease) in cash in the year	19	251	(1,791)

Notes to the financial statements Year ended 31 March 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Basis of accounting

The group financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Going concern

The strategic report and the directors' report on pages 1 to 5 describe the financial position of the group; its cash flows, liquidity position, the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Research and development

Research and development expenditure is written off as incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

- Leasehold land and buildings -20 years straight line
- Computer Equipment -straight line 3 to 5 years
- Motor Vehicles -straight line over 5 years
- Leasehold Improvements -straight line 5 to 7 years
- Office Equipment -straight line over 5 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Notes to the financial statements (Continued)
Year ended 31 March 2015

1. Accounting policies (Continued)

Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as deferred income. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long-term contract balances in accrued income.

Taxation

Current tax, including UK corporation tax and foreign 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 recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Notes to the financial statements (Continued)
Year ended 31 March 2015

1. Accounting policies (Continued)

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets are included within the translation reserve. All other exchange differences are included in the profit and loss account.

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

Share-based payment

The Group has applied the requirements of FRS 20 Share-based Payment.

The Group issues equity-settled and cash-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Notes to the financial statements (Continued)
Year ended 31 March 2015

1. Accounting policies (Continued)

Share-based payment (continued)

Fair value is measured by use of the Black Scholes price model once the underlying asset class is established.

A liability equal to the portion of the goods or services received is recognised at the current fair value determined at each balance sheet date for cash-settled share-based payments.

2. Finance (income) / charges (Net)

	2015 £'000	2014 £'000
Interest payable and similar charges	4	7
Less: investment income	(13)	(14)
	<u>(9)</u>	<u>(7)</u>
Investment income		
Interest receivable and similar income	<u>13</u>	<u>14</u>
Interest payable and similar charges		
Finance leases and hire purchase contracts	<u>4</u>	<u>7</u>

3. Profit/(loss) on ordinary activities before taxation

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
Owned	511	413
Loss on sale of tangible fixed assets	33	43
Government grants	(1,258)	(1,723)
Operating lease rentals:		
Land & buildings	916	544
Other	<u>9</u>	<u>7</u>

The analysis of auditor's remuneration is as follows:

Fees payable to the Group auditor for the audit of the Group's annual financial statements	<u>21</u>	<u>18</u>
Non-audit fees – grant audits	<u>5</u>	<u>4</u>

Notes to the financial statements (Continued)
Year ended 31 March 2015

4. Staff costs

The average monthly number of employees (including executive directors) was:

	2015 Number	2014 Number
Technical	142	128
Sales & marketing	42	45
Administration	51	45
	<u>235</u>	<u>218</u>

Their aggregate remuneration comprised:

	£'000	£'000
Wages and salaries	10,093	8,993
Social security costs	888	864
Other pension costs	752	585
	<u>11,733</u>	<u>10,442</u>

As at 31 March 2015 amounts outstanding and included within creditors in relation to defined contribution schemes were £41k (2014: £24k).

ROMAX TECHNOLOGY LTD

Notes to the financial statements (Continued) Year ended 31 March 2015

5. Directors' remuneration and transactions

	2015 £'000	2014 £'000
Directors' remuneration		
Emoluments	432	464
	Number	Number
The number of directors who:		
Are members of a money purchase pension scheme	2	2
Remuneration of the highest paid director:		
Emoluments	170	143

6. Tax on profit /(loss) on ordinary activities

The tax charge comprises:

	2015 £'000	2014 £'000
Current tax		
UK Corporation Tax	(359)	(286)
Adjustments in respect of prior years	-	-
Foreign tax	540	353
Total current tax	181	67
Deferred tax		
Origination and reversal of timing differences (note 14)	-	14
Total deferred tax	-	14
Total tax on profit/(loss) on ordinary activities	181	81

Notes to the financial statements (Continued)
Year ended 31 March 2015

6. Tax on profit/(loss) on ordinary activities (Continued)

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before tax	49	(1,491)
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 21 % (2014: 23%)	10	(343)
Effects of:		
Expenses not deductible for tax purposes	11	29
Fixed asset timing differences	(56)	(22)
Tax losses arising in the year	(3)	-
R&D enhanced deduction	(183)	(68)
Differences in tax rates and other overseas differences	85	229
Other timing differences	(19)	-
Tax on overseas earnings - net	336	242
Group current tax charge for the year	181	67

Factors that may affect future, current and total tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

The deferred tax asset at 31 March 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

7. Profit attributable to the company

The loss for the financial year dealt with in the financial statements of the parent Company was £185,000 (2014: £628,000 loss) As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent Company.

8. Dividends on equity shares

	2015 £'000	2014 £'000
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 31 March 2015 of £Nil (2014: £Nil)	-	-

ROMAX TECHNOLOGY LTD

Notes to the financial statements (Continued) Year ended 31 March 2015

9. Tangible fixed assets

Group	Leasehold land & buildings £'000	Motor Vehicles £'000	Computer Equipment £'000	Office Equipment £'000	Leasehold Improvements £'000	Total £'000
Cost						
At 1 April 2014	265	27	1,822	428	147	2,689
Additions	100	-	606	163	59	928
Disposals	-	(1)	(127)	(6)	-	(134)
Transfers	(102)	-	102	-	-	-
Exchange adjustment	-	2	31	21	3	57
At 31 March 2015	263	28	2,434	606	209	3,540
Depreciation						
At 1 April 2014	25	10	1,013	276	145	1,469
Charge for the year	26	5	389	84	7	511
Disposals	-	-	(95)	(6)	-	(101)
Exchange adjustment	-	1	21	13	2	37
At 31 March 2015	51	16	1,328	367	154	1,916
Net book value						
At 31 March 2015	212	12	1,106	239	55	1,624
At 31 March 2014	240	17	809	152	2	1,220

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Notes to the financial statements (Continued) Year ended 31 March 2015

9. Tangible fixed assets (continued)

Company	Leasehold land & buildings £'000	Vehicles £'000	Computer Equipment £'000	Office Equipment £'000	Leasehold improvements £'000	Total £'000
Cost						
At 1 April 2014	265	7	1,475	205	117	2,069
Additions	100	-	504	64	7	675
Disposals	-	-	(94)	-	-	(94)
Transfers	(102)	-	102	-	-	-
At 31 March 2015	<u>263</u>	<u>7</u>	<u>1,987</u>	<u>269</u>	<u>124</u>	<u>2,650</u>
Depreciation						
At 1 April 2014	25	3	761	139	117	1,045
Charge for the year	26	2	333	50	-	411
Disposals	-	-	(90)	-	-	(90)
At 31 March 2015	<u>51</u>	<u>5</u>	<u>1,004</u>	<u>189</u>	<u>117</u>	<u>1,366</u>
Net book value						
At 31 March 2015	<u>212</u>	<u>2</u>	<u>983</u>	<u>80</u>	<u>7</u>	<u>1,284</u>
At 31 March 2014	<u>240</u>	<u>4</u>	<u>714</u>	<u>66</u>	<u>-</u>	<u>1,024</u>

Notes to the financial statements (Continued)
Year ended 31 March 2015
10. Fixed asset investments

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Subsidiary undertakings	-	-	373	373

Principal Group investments

The parent Company and the Group have investments in the following subsidiary undertakings, associates and other investments which principally affected the profits or net assets of the Group.

	Country of incorporation	Principal activity	Holding	%
Subsidiary undertakings				
Romax Technology Japan Ltd	Japan	Transmission Software, Sales & Consultancy	Ordinary Shares	100
Romax Technology Korea Co Ltd	Korea	Transmission Software, Sales & Consultancy	Ordinary Shares	100
Romax Solutions Pvt Ltd	India	Transmission Software, Sales & Consultancy	Ordinary Shares	100
Romax Technology Inc	USA	Transmission Software, Sales & Consultancy	Ordinary Shares	100
Romax Technology (Hangzhou) Ltd	China	Transmission Software, Sales & Consultancy	Ordinary Shares	100

Subsidiary undertakings

	£'000
Cost and net book value	
At 1 April 2014	373
Additions	-
Disposals	-
At 31 March 2015	373

All subsidiary undertakings have been included in the consolidation.

ROMAX TECHNOLOGY LTD

Notes to the financial statements (Continued) Year ended 31 March 2015

11. Debtors

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	2,685	2,136	1,353	1,404
Amounts recoverable on government grants	56	-	56	-
Amounts recoverable on contracts	1,573	1,172	979	537
Amounts owed by Group undertakings	-	-	3,532	3,007
Prepayments, accrued income and other debtors	1,575	1,549	993	872
Corporation tax	522	406	522	406
	<u>6,411</u>	<u>5,263</u>	<u>7,435</u>	<u>6,226</u>

12. Creditors – amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade creditors	832	511	784	437
Amounts owed to Group undertakings	-	-	2,698	2,362
Corporation tax	72	10	-	-
Other taxation and social security	368	317	199	192
Accruals and deferred income	7,114	5,598	4,614	3,570
	<u>8,386</u>	<u>6,436</u>	<u>8,295</u>	<u>6,561</u>

Notes to the financial statements (Continued)
Year ended 31 March 2015

13. Provisions for liabilities

Deferred tax

Deferred tax is provided as follows:

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Accelerated capital allowances	-	-	-	-
Other timing differences	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred tax (asset) / liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Unprovided deferred tax relating to taxable losses carried forward is as follow:

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
At 1 April	780	780	780	780
Arising in the year	(100)	-	(100)	-
	<u>680</u>	<u>780</u>	<u>680</u>	<u>780</u>
At 31 March	<u>680</u>	<u>780</u>	<u>680</u>	<u>780</u>

The deferred tax asset relating to taxable losses carried forward has not been recognised as the directors are not certain there will be taxable profits within the next 12 months for this to be utilised against.

14. Called-up share capital

	2015	2014
	£'000	£'000
Allotted, called-up and fully-paid		
101,577 ordinary A shares of £1 each	<u>102</u>	<u>102</u>

16,341 share options, over ordinary B shares, and with an exercise price of £1 per share, reached the end of their performance assessment period at 31 March 2014. The share options become exercisable in the future upon a reorganisation of the company share capital at the Boards discretion.

Notes to the financial statements (Continued)
Year ended 31 March 2015

15. Reserves

	Share premium account £'000	Profit and loss account £'000	Total £'000
Group			
At 1 April 2014	9,081	(4,670)	4,411
Loss for the financial year	-	(132)	(132)
Other recognised gains and losses	-	(15)	(15)
	<u>9,081</u>	<u>(4,817)</u>	<u>4,264</u>
At 31 March 2015	<u>9,081</u>	<u>(4,817)</u>	<u>4,264</u>
Company			
At 1 April 2014	9,081	(4,537)	4,544
Loss for the financial year	-	(185)	(185)
Other recognised gains and losses	-	11	11
	<u>9,081</u>	<u>(4,711)</u>	<u>4,370</u>
At 31 March 2015	<u>9,081</u>	<u>(4,711)</u>	<u>4,370</u>

16. Reconciliation of movements in group shareholders' funds

	2015 £'000	2014 £'000
Loss for the financial year	(132)	(1,572)
Other recognised gains and losses	<u>(15)</u>	<u>3</u>
Net reduction to shareholders' funds	<u>(147)</u>	<u>(1,569)</u>
Opening shareholders' funds	<u>4,513</u>	<u>6,082</u>
Closing shareholders' funds	<u>4,366</u>	<u>4,513</u>

ROMAX TECHNOLOGY LTD

Notes to the financial statements (Continued) Year ended 31 March 2015

17. Reconciliation of operating profit to operating cash flows

	2015 £'000	2014 £'000
Operating profit/(loss)	40	(1,498)
Depreciation	511	413
Loss on sale of tangible fixed assets	33	43
Increase in debtors	(1,067)	(766)
Increase in creditors	1,888	776
Net cash inflow/(outflow) from continuing operating activities	1,405	(1,032)

18. Analysis of cash flows

	2015 £'000	2014 £'000
Returns on investments and servicing of finance		
Net interest received	(9)	(7)
Taxation		
Tax paid / (received)	235	69
Capital expenditure and financial investment		
Purchase of tangible fixed assets	928	697

19. Analysis and reconciliation of net debt

	1 April 2014 £'000	Cash flow £'000	31 March 2015 £'000
Cash in hand, at bank	4,466	251	4,717
Net funds	4,466	251	4,717
		2015 £'000	2014 £'000
Increase/(decrease) in cash in the year		251	(1,791)
Movement in net funds in year		251	(1,791)
Net funds as at 1 April		4,466	6,257
Net funds as at 31 March		4,717	4,466

Notes to the financial statements (Continued)
Year ended 31 March 2015

20. Financial commitments

Annual commitments under non-cancellable operating leases are as follows as at 31 March 2015:

	Group		Company	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expiry date				
- within one year	66	-	27	-
- between two and five years	204	9	-	6
- after five years	666	-	554	-
	<u>936</u>	<u>9</u>	<u>581</u>	<u>6</u>

Annual commitments under non-cancellable operating leases were as follows for the comparative period:

	Group		Company	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expiry date				
- within one year	205	-	54	-
- between two and five years	265	6	-	6
- after five years	554	-	554	-
	<u>1,024</u>	<u>6</u>	<u>608</u>	<u>6</u>

Leases of land and buildings are typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

21. Related party transactions

In accordance with Financial Reporting Standard 8 "Related Party Transactions", related party transactions with group companies are not disclosed as 100% of the voting rights are controlled within the group.

22. Controlling party

At the year-end date Dr SY Poon, a director of the company and family members, directly held 54.4 percent of the issued share capital of the company, with Dr SY Poon considered the controlling party.