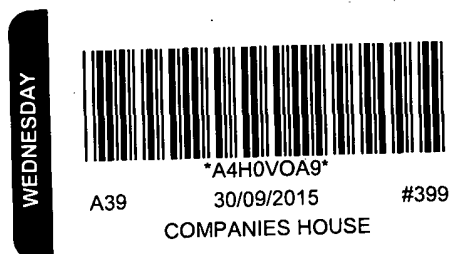


# RDS Technology Limited

## FINANCIAL STATEMENTS

for the year ended

31 December 2014



# RDS Technology Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

J P Jennings  
P G Nelson  
J Williamson  
A Zahalka

### SECRETARY

J P Jennings

### REGISTERED OFFICE

Cirencester Road  
Minchinhampton  
Stroud  
Gloucestershire  
GL6 9BH

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

### BANKERS

HSBC  
130 New Street  
Birmingham  
B2 4JU

# RDS Technology Limited

## STRATEGIC REPORT

for the year ended 31 December 2014

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### REVIEW OF THE BUSINESS

The company designs, manufactures and distributes a wide range of instrumentation for the mobile machinery industry, predominantly agricultural and industrial machinery control systems.

During the first half of the year under review, the company again experienced further sales growth in both the agricultural and industrial markets. The second half of the year however saw a downturn in demand, particularly from Europe, which traditionally is the company's biggest export destination and in particular France and Italy. The net result saw sales for the full year that were entirely comparable with prior year.

Notwithstanding, the company's strategy of continual investment in resources for future product development remained undiminished.

The company again enjoyed strong liquidity. Based on the level of trade debtors through the year, debtor days averaged 56 days (2013: 57 days). In absolute terms, Stocks reduced by £319k from 2013 year-end. In relative terms, the average number of days stock, based on actual sales, increased to 135 days (2013: 123 days).

Although the overall cash conversion cycle of stocks and net debtors/creditors deteriorated slightly to 144 days (2013: 135 days) profit and cash flow were strong enough to support the dividends payable.

The company remains well-placed in the markets it operates within and the directors are confident of further success. Exports were again strong at 71% of total (2013: 74%), spread across 34 countries.

### PRINCIPAL RISKS AND UNCERTAINTIES

As always, future company success may be affected by any or all of the following: competitive pricing pressure, commodity prices, global political situations, product recall, excessive warranty costs, volatility in exchange rates and/or interest rates. Notwithstanding the risks and uncertainties that always face the business, in the opinion of the directors, future trading prospects remain strong.

### MATTERS OF STRATEGIC IMPORTANCE

Food producers are under constant pressure to improve both output and efficiency, with increasing reliance on technological advances and mechanisation. The company remains well-positioned to benefit from these demands.

On behalf of the board



P Jennings  
Director

Date: 16 SEP 2015

# RDS Technology Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of RDS Technology Limited for the year ended 31 December 2014.

### PRINCIPAL ACTIVITY

The company's principal activity continues to be the design, manufacture, marketing and support of electronic instruments for the mobile machinery industry.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,338,289 (2013 - profit £1,587,336). Particulars of dividends paid are detailed in note 8 to the financial statements.

### FUTURE DEVELOPMENTS

The company continues to focus its future sales and development activities on those key market sectors identified at the major strategic review carried out in 2013.

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors continue to review the financial risk management objectives and policies of the company and, where there is a significant exposure to financial risks, the group policy laid down by the parent company prevails. During the year, the company entered into several hedging instruments in order to mitigate volatility in currency markets. Appropriate trade terms are agreed with suppliers and customers. Management reviews such terms and the relationships with suppliers and customers and manages any exposure on normal trade terms.

### RESEARCH AND DEVELOPMENT

The company continues to undertake research and development. The expenditure is written off in the year in which it is incurred. Costs of £76,921 (2013: £71,060) were written off during the year.

### DIRECTORS

The directors who served the company during the year and since the year end were as follows:

A Brickman	(Resigned 20 April 2015)
J P Jennings	
M Moore	(Resigned 20 April 2015)
P G Nelson	
A Simkins	(Appointed 2 January 2014, resigned 30 June 2015)
J Williamson	(Appointed 1 July 2015)
A Zahalka	(Appointed 1 July 2015)

### QUALIFYING THIRD PARTY INDEMNITY PROVISION

During the year the company maintained third party liability insurance in respect of its directors and senior officers.

### POST BALANCE SHEET EVENT

After the year end, on 20 April 2015, the company's ultimate parent company Digi-Star Investments LLC was acquired by the Topcon group. The ultimate parent company and controlling party is now Topcon Corporation, incorporated in Tokyo.

# RDS Technology Limited

## DIRECTORS' REPORT *(continued)*

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### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

On behalf of the board

  
J P Jennings  
Director

Date: 16 Sep 2015

# RDS Technology Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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 MEMBER OF RDS TECHNOLOGY LIMITED

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We have audited the financial statements on pages 7 to 17. 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 member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 5, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

### **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, 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.



THOMAS MORGAN (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Hartwell House

55-61 Victoria Street

Bristol BS1 6AD

Date: 29 SEPTEMBER 2015

**RDS Technology Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2014

	<i>Notes</i>	2014 £	2013 £
TURNOVER	2	10,322,808	10,388,301
Cost of sales		(5,853,585)	(5,919,260)
Gross profit		4,469,223	4,469,041
Distribution costs		(546,007)	(515,161)
Administrative expenses		(2,568,509)	(2,262,475)
Other operating income	3	126,830	120,273
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,481,537	1,811,678
Taxation	7	(143,248)	(224,342)
PROFIT FOR THE FINANCIAL YEAR	20	<u>1,338,289</u>	<u>1,587,336</u>

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

**RDS Technology Limited****BALANCE SHEET**

31 December 2014

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	9	193,964	227,515
Investments	10	33,000	33,000
		<u>226,964</u>	<u>260,515</u>
<b>CURRENT ASSETS</b>			
Stocks	11	1,692,187	2,011,003
Debtors	12	1,254,638	1,546,892
Cash at bank and in hand		300,177	221,199
		<u>3,247,002</u>	<u>3,779,094</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(2,286,020)	(2,680,380)
<b>NET CURRENT ASSETS</b>		<u>960,982</u>	<u>1,098,714</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,187,946</u>	<u>1,359,229</u>
<b>PROVISIONS FOR LIABILITIES</b>		<u>—</u>	<u>(9,572)</u>
		<u>1,187,946</u>	<u>1,349,657</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	37,026	37,026
Capital reserve	19	277,204	277,204
Profit and loss account	20	873,716	1,035,427
<b>SHAREHOLDER'S FUNDS</b>	21	<u>1,187,946</u>	<u>1,349,657</u>

The financial statements on pages 7 to 17 were approved by the board of directors and authorised for issue on 16 SEP 2015 and are signed on their behalf by:

  
J P Jennings  
Director

P G Nelson  
Director



# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

#### INDIVIDUAL ACCOUNTS

For the reasons given below, these financial statements present information about the company as an individual undertaking and not about its group.

#### CONSOLIDATION

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts.

#### CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

#### TURNOVER

Turnover represents the amounts receivable from customers for goods and services sold in the course of the company's ordinary activities after deduction of trade discounts and value added tax. Turnover is recognised on despatch of the goods or on provision of the services.

#### RESEARCH AND DEVELOPMENT

Research and development expenditure is written off in the year in which it is incurred.

#### FIXED ASSETS

All fixed assets are recorded at cost.

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	- 20 years straight line
Plant & equipment	- 5 years straight line
Office furniture, fittings & equipment	- 3-5 years straight line
Motor vehicles	- 4 years straight line

#### STOCKS

Stock and work in progress have been valued at the lower of cost and net realisable value. The cost of raw materials and bought-out parts is determined by the purchase invoice price. The cost of work in progress is determined by the material cost only. The cost of finished goods is determined by the raw material cost plus direct labour and an appropriate proportion of production overheads.

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

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### 1 ACCOUNTING POLICIES *(continued)*

#### INVESTMENTS IN SUBSIDIARIES

Investments in shares are stated at cost. Provision is made for any impairment of an investment below its book value.

#### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### PENSION COSTS

The company operates externally managed defined contribution pension schemes in respect of a certain number of employees, to which both the company and the employees contribute. There is accordingly a charge to the profit and loss account in respect thereof. The assets of these schemes are held separately from those of the company in independently administered funds.

#### DEFERRED TAXATION

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 company'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.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which 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.

#### FOREIGN CURRENCIES

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

#### FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

#### GOVERNMENT GRANTS

Government (and similar) grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 2 TURNOVER

An analysis of turnover by geographical area is shown below:

	2014	2013
	£	£
United Kingdom	2,937,242	2,693,014
Europe	6,066,761	6,774,438
America	668,808	489,147
Australia and New Zealand	580,507	354,262
Africa	43,134	53,718
Asia	26,356	23,722
	<u>10,322,808</u>	<u>10,388,301</u>

### 3 OTHER OPERATING INCOME

	2014	2013
	£	£
Other operating income	<u>126,830</u>	<u>120,273</u>

Other operating income comprises revenue grants towards specific projects.

### 4 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Research and development expenditure written off	76,921	71,060
Depreciation of owned fixed assets	94,761	87,608
Loss on disposal of fixed assets	5	3,249
Auditor's remuneration for statutory audit	18,000	16,000
Net loss/(profit) on foreign currency translation	23,292	(33,131)
Operating lease rentals - land and buildings	<u>120,000</u>	<u>120,000</u>

### 5 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was:

	2014	2013
	No	No
Production staff	55	44
Sales and administrative staff	41	45
	<u>96</u>	<u>89</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	2,573,379	2,423,916
Social security costs	239,622	206,365
Other pension costs	181,163	157,886
	<u>2,994,164</u>	<u>2,788,167</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	309,678	364,124
Value of company pension contributions to money purchase schemes	56,342	52,549
	<u>366,020</u>	<u>416,673</u>

Remuneration of highest paid director:

	2014	2013
	£	£
Total remuneration (excluding pension contributions)	127,746	134,030
Value of company pension contributions to money purchase schemes	15,125	20,823
	<u>142,871</u>	<u>154,853</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

### 7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014	2013
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 21% (2013 - 23%)	190,208	285,573
Adjustments to tax charge in respect of previous periods	(34,967)	(59,073)
Total current tax	<u>155,241</u>	<u>226,500</u>
Deferred tax:		
Origination and reversal of timing differences	(11,993)	(2,158)
Tax on profit on ordinary activities	<u>143,248</u>	<u>224,342</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 7 TAXATION ON ORDINARY ACTIVITIES *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2013 - 23%), as explained below

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>1,481,537</u>	<u>1,811,678</u>
Profit on ordinary activities by rate of tax	311,123	416,686
Effects of:		
Expenses not deductible for tax purposes	949	8,358
Depreciation in excess of / (less than) capital allowances	12,516	(261)
Group relief	(85,987)	(96,462)
Adjustments to tax charge in respect of previous periods	(34,967)	(59,073)
Movement in short term timing differences	372	990
Additional deduction for R&D expenditure	(56,071)	(48,206)
Sundry tax adjusting items	7,306	4,468
Total current tax (note 7(a))	<u>155,241</u>	<u>226,500</u>

#### (c) Factors that may affect future tax charges

The main rate of corporation tax has been reduced to 20% from 1 April 2015.

### 8 DIVIDENDS

#### Equity dividends

	2014 £	2013 £
Dividends per ordinary share £121.54 (2013: £76.97)	<u>1,500,000</u>	<u>950,000</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 9 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant & equipment £	Office furniture, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2014	11,635	365,332	140,564	166,822	684,353
Additions	26,400	15,193	19,622	—	61,215
Disposals	—	—	(1,545)	—	(1,545)
At 31 December 2014	<u>38,035</u>	<u>380,525</u>	<u>158,641</u>	<u>166,822</u>	<u>744,023</u>
Depreciation					
At 1 January 2014	11,635	276,949	86,394	81,860	456,838
Charge for the year	3,520	34,081	19,116	38,044	94,761
On disposals	—	—	(1,540)	—	(1,540)
At 31 December 2014	<u>15,155</u>	<u>311,030</u>	<u>103,970</u>	<u>119,904</u>	<u>550,059</u>
Net book value					
At 31 December 2014	<u>22,880</u>	<u>69,495</u>	<u>54,671</u>	<u>46,918</u>	<u>193,964</u>
At 31 December 2013	<u>—</u>	<u>88,383</u>	<u>54,170</u>	<u>84,962</u>	<u>227,515</u>

### 10 INVESTMENTS

	Investment in subsidiaries £
Cost	
At 1 January 2014 and 31 December 2014	<u>33,000</u>
Net book value	
At 31 December 2014 and 31 December 2013	<u>33,000</u>

Investments reflect the company's interest in the entire issued share capital (33,000 ordinary shares of £1 each) of Mecerlec Developments Limited, a dormant company incorporated in the United Kingdom and registered in England and Wales. Its result for the year ended 31 December 2014 was £nil (2013: £nil) and its aggregate capital and reserves at that date were £33,000 (2013: £33,000).

### 11 STOCKS

	2014 £	2013 £
Raw materials and consumables	733,751	803,198
Work in progress	331,624	477,555
Finished goods	626,812	730,250
	<u>1,692,187</u>	<u>2,011,003</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 12 DEBTORS

	2014	2013
	£	£
Trade debtors	1,126,829	1,347,579
Amounts owed by group undertakings	–	4,612
Corporation tax repayable	24,758	–
Other debtors	21,036	63,225
Prepayments and accrued income	79,594	131,476
Deferred taxation (note 13)	2,421	–
	<u>1,254,638</u>	<u>1,546,892</u>

Prepayments and accrued income includes £nil (2013: £37,500) in respect of accrued grant income.

### 13 DEFERRED TAXATION

The deferred taxation included in the balance sheet is as follows:

	2014	2013
	£	£
Included in debtors (note 12)	2,421	–
Included in provisions	–	(9,572)
	<u>2,421</u>	<u>(9,572)</u>

The movement in the deferred taxation account during the year was:

	2014	2013
	£	£
Balance brought forward	(9,572)	(11,730)
Profit and loss account movement arising during the year	11,993	2,158
Balance carried forward	<u>2,421</u>	<u>(9,572)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2014	2013
	£	£
Excess of taxation allowances over depreciation on fixed assets	(2,587)	(14,234)
Other timing differences	5,008	4,662
	<u>2,421</u>	<u>(9,572)</u>

### 14 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	696,880	842,598
Amounts owed to group undertakings	1,362,973	1,362,973
Corporation tax	–	13,585
PAYE and social security	77,271	75,632
Other creditors	29,817	13,832
Accruals and deferred income	119,079	371,760
	<u>2,286,020</u>	<u>2,680,380</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 December 2014

### 15 PENSIONS

The company operates externally managed defined contribution pension schemes in respect of a certain number of employees, to which both the company and the employees contribute. During the year, the company made total pension contributions of £181,163 (2013: £157,886). Contributions of £nil (2013: £1,592) were outstanding at the year end and are included in accruals and deferred income.

### 16 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
After more than 5 years	<u>120,000</u>	<u>120,000</u>

### 17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under Financial Reporting Standard 8 'Related Party Transactions' and has not disclosed details of transactions or balances with other wholly-owned entities in the group headed by Digi-Star Acquisitions (UK) Limited.

### 18 SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid:		
12,342 Ordinary shares of £1 each	12,342	12,342
246,840 Ordinary shares of £0.10 each	<u>24,684</u>	<u>24,684</u>
	<u>37,026</u>	<u>37,026</u>

### 19 CAPITAL RESERVE

	2014	2013
	£	£
Capital reserve	<u>277,204</u>	<u>277,204</u>

### 20 PROFIT AND LOSS ACCOUNT

	2014	2013
	£	£
At the beginning of the year	1,035,427	398,091
Profit for the financial year	1,338,289	1,587,336
Dividends	<u>(1,500,000)</u>	<u>(950,000)</u>
At the end of the year	<u>873,716</u>	<u>1,035,427</u>

# RDS Technology Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 December 2014

### 21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2014	2013
	£	£
Profit for the financial year	1,338,289	1,587,336
Dividends	(1,500,000)	(950,000)
Net (reduction)/addition to shareholder's funds	(161,711)	637,336
Opening shareholder's funds	1,349,657	712,321
Closing shareholder's funds	<u>1,187,946</u>	<u>1,349,657</u>

### 22 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Throughout the current and previous year, the immediate parent company was Digi-Star Acquisitions (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales. Digi-Star Acquisitions (UK) Limited heads the smallest group in which the results of the company are consolidated. The consolidated financial statements of Digi-Star Acquisitions (UK) Limited are available from the company's registered office, RDS Technology Limited, Cirencester Road, Minchinhampton, Stroud, Gloucestershire GL6 9BH.

At the balance sheet date, the ultimate parent company and controlling party was Digi-Star Investments LLC, a company incorporated in the United States of America. Digi-Star Investments LLC headed the largest group in which the results of the company were consolidated.

After the year end, on 20 April 2015, an intermediate parent company Digi-Star Investments Inc. was acquired by the Topcon group. The ultimate parent company and controlling party is now Topcon Corporation, incorporated in Tokyo. Topcon Corporation heads the largest group in which the results of the company are now consolidated.