

Research Instruments Limited
Annual Report and Financial Statements
Year Ended 31 October 2017
Registration number: 03419143

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Research Instruments Limited

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Research Instruments Limited

Strategic Report

Year Ended 31 October 2017

The directors present their strategic report for the year ended 31 October 2017.

Principal activity

The principal activity of the company is the manufacture of medical devices for the fertility field.

Fair review of the business

On 17 December 2015 the entire share capital of the company was acquired by Coopersurgical Holdings Limited a member of the The Cooper Companies, Inc. group.

Following the acquisition there were changes in the company's accounting policies and estimates to bring them in line with the group. These have been referred to within the accounting policies note.

Research Instruments Limited is a medical device manufacturing company based in Falmouth, producing state-of-the-art hardware medical equipment for clinicians and ART professionals in the women's healthcare space. During the fiscal year the company increased its production capabilities through the transfer of K-Systems equipment production from an affiliated company, Kivex Holdings ApS.

In an effort to provide a core sales team to drive all products within the Coopersurgical group, as of February 2017, there was a change in direction for the company, whereby its focus became that of a production site for other group undertakings that then act as the distributor for the company's product range, as well as products from other group companies, to third parties.

This has assisted the company in generating a pre-tax profit of £7,917,977 (2016 - £3,017,082) for the year and sales of £21,793,887 (2016 - £12,732,378). The balance sheet has also strengthened over the period from £112,495,189 to £118,992,838 by the year end.

The company continues to invest in R&D and product development. The directors regard such investment as integral to the continuing success of the business to ensure they remain competitive in their field.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using further KPIs is not necessary for an understanding of the development, performance and position of the business.

Research Instruments Limited

Strategic Report

Year Ended 31 October 2017

Principal risks and uncertainties

The company's activities and business model involve a number of general and specific commercial and financial risks, which may have negative impacts on the future growth.


Management continues to focus on the most important operational risks and to evaluate the current mitigation plans. Risk assessments are performed on a regular basis.

A substantial focus on innovation is an integral part of the company's strategy. The overall aim of improving the key treatment outcome parameter: the-baby-take-home-rate, drives the portfolio of development projects.

Regulations on ART products continue to intensify, and the Management expects these requirements to further increase in the future. The company is part of a group, who has established a knowledge and competencies in the regulatory area and is prepared to meet the increased regulatory demand.

Development in the company's financial results are impacted by foreign exchange risks. Research Instrument does not engage in speculative financial transactions.

Approved by the Board on 7/26/18 and signed on its behalf by:


.....
A T Tucker
Director

Research Instruments Limited

Directors' Report

Year Ended 31 October 2017

The directors present their report and the financial statements for the year ended 31 October 2017.

Directors of the company

The directors who held office during the year were as follows:

J Hvidkjaer

C R Kaufman

G W Matz (resigned 31 January 2017)

D C Lansdownie (resigned 20 February 2017)

R D Auerbach

A T Tucker

D T Hansen

A G White III (appointed 31 January 2017 and resigned 2 October 2017)

K L Blair (appointed 26 April 2017)

A Ricupati (appointed 2 October 2017)

Financial risk management objectives and policies

The main risks facing the company are set out below:

Price risk, credit risk, liquidity risk and cash flow risk

Raw material price risk - The company manages the risk of price rises through maintaining strong relationships with key suppliers.

Credit risk - The company manages its credit risk through the establishment of credit limits on its customer ledger and request payments of accounts when deemed necessary.

Liquidity risk and Cash flow risk - The company utilises a combination of short term and long term debt finance to ensure that it retains sufficient cash to fund operations.

Disclosure of information to the auditors

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 7/6/18 and signed on its behalf by:


.....
A T Tucker
Director

Research Instruments Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 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.

Research Instruments Limited

Independent Auditor's Report to the Members of Research Instruments Limited

Opinion

We have audited the financial statements of Research Instruments Limited (the 'company') for the year ended 31 October 2017, which comprise the Profit and Loss Account, Balance Sheet, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 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.

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.

Research Instruments Limited

Independent Auditor's Report to the Members of Research Instruments Limited

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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], 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 either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Research Instruments Limited

Independent Auditor's Report to the Members of Research Instruments Limited

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.



Duncan Leslie (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

Date: 30 July 2018

Research Instruments Limited

Profit and Loss Account

Year Ended 31 October 2017

	Note	2017 £	2016 £
Turnover	3	21,793,887	12,732,378
Cost of sales		<u>(11,322,225)</u>	<u>(8,150,631)</u>
Gross profit		10,471,662	4,581,747
Distribution costs		(318,463)	(153,305)
Administrative expenses		(2,126,977)	(1,566,593)
Other operating income	4	<u>17,948</u>	<u>353,221</u>
Operating profit	6	8,044,170	3,215,070
Other interest receivable and similar income	11	39,568	8,767
Interest payable and similar charges	12	<u>(165,761)</u>	<u>(206,755)</u>
Profit before tax		7,917,977	3,017,082
Taxation	13	<u>(1,420,328)</u>	<u>(543,995)</u>
Profit for the financial year		<u><u>6,497,649</u></u>	<u><u>2,473,087</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.


Research Instruments Limited

Balance Sheet

31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	14	85,108	73,285
Tangible assets	15	1,006,171	1,351,371
Investments	16	<u>110,535,942</u>	<u>110,535,942</u>
		<u>111,627,221</u>	<u>111,960,598</u>
Current assets			
Stocks	17	7,099,276	3,647,938
Debtors	18	2,659,291	4,161,026
Cash at bank and in hand		<u>2,226,706</u>	<u>1,597,961</u>
		11,985,273	9,406,925
Creditors: Amounts falling due within one year	20	<u>(4,608,052)</u>	<u>(2,060,886)</u>
Net current assets		<u>7,377,221</u>	<u>7,346,039</u>
Total assets less current liabilities		119,004,442	119,306,637
Creditors: Amounts falling due after more than one year	20	(11,604)	(6,743,796)
Provisions for liabilities	23	<u>-</u>	<u>(67,652)</u>
Net assets		<u>118,992,838</u>	<u>112,495,189</u>
Capital and reserves			
Called up share capital	25	102,514,087	102,514,087
Share premium reserve		19,000	19,000
Profit and loss account		<u>16,459,751</u>	<u>9,962,102</u>
Total equity		<u>118,992,838</u>	<u>112,495,189</u>

Approved and authorised by the Board on 7/26/19 and signed on its behalf by:



 A T Tucker
 Director

Company Registration Number: 03419143

Research Instruments Limited

Statement of Changes in Equity

Year Ended 31 October 2017

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 November 2016	102,514,087	19,000	9,962,102	112,495,189
Profit for the year	-	-	6,497,649	6,497,649
Total comprehensive Income	-	-	6,497,649	6,497,649
At 31 October 2017	102,514,087	19,000	16,459,751	118,992,838

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 November 2015	1,000	19,000	7,489,015	7,509,015
Profit for the year	-	-	2,473,087	2,473,087
Total comprehensive Income	-	-	2,473,087	2,473,087
New share capital subscribed	102,513,087	-	-	102,513,087
At 31 October 2016	102,514,087	19,000	9,962,102	112,495,189

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office and principal place of business is:

Bickland Industrial Park
Falmouth
Cornwall
TR11 4TA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Exemption from preparing group accounts

The financial statements contain information about Research Instruments Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, The Cooper Companies, Inc., a company incorporated in The United States of America.

Exemptions for qualifying entities under FRS102

FRS102 allows a qualifying entity certain disclosure exemptions, which are subject to certain conditions being adhered to. The company has therefore taken advantage of the following exemptions:

- From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated financial statements of The Cooper Companies Inc include the cash flows of this company;
- From the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 as the information is provided in the consolidated financial statement disclosures;
- From disclosing the company key management personnel compensation, as required by FRS102 paragraph 33.7.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Judgements

The company previously leased machines to customers under a 6 year lease agreement. The company had judged that the risks and rewards of these machines remained with the company and had accounted for these transactions as operating leases. During the year the company derecognised these machines.

The company values stock using a standard costing method that is updated on a regular basis using the average price for raw materials over the course of the year. Labour and overheads are absorbed into finished goods using an hourly rate. The directors believe this is an appropriate judgement for the company.

On the acquisition of the company by Coopersurgical Holdings Limited in the prior year there were a number of tangible fixed assets with a cost value below the new owner's capitalisation policy that would not have previously been capitalised.

The net book value of tangible and intangible fixed assets written off in the prior year as a result of the above was £174,323 and £5,646 respectively.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is recognised on sale of goods on the date of dispatch unless the goods are to be installed by the company in which case revenue is not recognised until the goods are installed. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

Government grants

The company has chosen to recognise government capital grants under the accruals model. The grant is released to the profit and loss account in line with the depreciation charge on the associated asset.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Freehold buildings	Straight line over 50 years
Plant and machinery	Straight line over 5 to 15 years
Fixtures, fittings and equipment	Straight line over 5 years

Intangible assets

Separately acquired trademarks, licences and computer software are shown at historical cost.

Trademarks, licences and computer software have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Computer software	Straight line over 5 years

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. A subset of the company's manufactured stock is held at a standard cost calculated based on the standard cost of materials, labour and overheads. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Financial instruments

Classification

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

All financial instruments are classified as basic.

Recognition and measurement

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments. Where the arrangement constitutes a financing transaction the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, including trade and other payables are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments. Where the item constitutes a financing transaction the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2017	2016
	£	£
Sale of goods	<u>21,793,887</u>	<u>12,732,378</u>

The analysis of the company's turnover for the year by market is as follows:

	2017	2016
	£	£
UK	707,443	2,689,271
Europe	16,009,446	3,401,889
Rest of world	<u>5,076,998</u>	<u>6,641,218</u>
	<u>21,793,887</u>	<u>12,732,378</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2017	2016
	£	£
Government grants	14,198	329,802
Sub lease rental income	<u>3,750</u>	<u>23,419</u>
	<u>17,948</u>	<u>353,221</u>

5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2017	2016
	£	£
Gain (loss) on disposal of property, plant and equipment	<u>(260,077)</u>	<u>(174,323)</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

6 Operating profit

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	86,031	146,610
Amortisation expense	27,237	11,786
Impairment of freehold land and buildings	-	110,173
Research and development cost expensed	-	47,863
Foreign exchange losses/(gains)	64,709	(290,616)
Operating lease expense - property	98,254	86,012
Operating lease expense - plant and machinery	25,237	22,795
Loss on disposal of intangible fixed assets	-	5,646
Loss on disposal of property, plant and equipment	<u>260,077</u>	<u>174,323</u>

7 Government grants

The company has received government grants from the RGF and ERDF to contribute to the purchase of freehold property and IT equipment.

The company sold the freehold property in the prior year and released the associated government grants received.

The amount of grants recognised as other operating income was £14,198 (2016 - £329,802).

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017	2016
	£	£
Wages and salaries	2,676,902	2,789,340
Social security costs	227,669	261,742
Pension costs, defined contribution scheme	<u>52,625</u>	<u>63,503</u>
	<u>2,957,196</u>	<u>3,114,585</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	9	11
Sales, marketing and distribution	74	82
	<u>83</u>	<u>93</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	31,016	117,732
Contributions paid to money purchase schemes	776	3,367
	<u>31,792</u>	<u>121,099</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

10 Auditor's remuneration

	2017 £	2016 £
Audit of the financial statements	<u>9,000</u>	<u>8,500</u>
Other fees to auditors		
Taxation compliance services	1,000	1,000
All other non-audit services	<u>6,000</u>	<u>3,500</u>
	<u>7,000</u>	<u>4,500</u>

11 Other interest receivable and similar income

	2017 £	2016 £
Interest income from related parties	12,136	8,105
Interest income on bank deposits	27,191	662
Other finance income	<u>241</u>	<u>-</u>
	<u>39,568</u>	<u>8,767</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

12 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and borrowings	15,874	7,097
Interest expense on other finance liabilities	149,887	199,658
	<u>165,761</u>	<u>206,755</u>

13 Taxation

Tax charged/(credited) in the profit and loss account

	2017 £	2016 £
Current taxation		
UK corporation tax	1,496,733	593,035
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(76,405)</u>	<u>(49,040)</u>
Tax expense in the income statement	<u>1,420,328</u>	<u>543,995</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2016 - lower than the standard rate of corporation tax in the UK) of 19% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	<u>7,917,977</u>	<u>3,017,082</u>
Corporation tax at standard rate	1,504,416	603,416
Effect of expense not deductible in determining taxable profit (tax loss)	9,391	19,979
UK deferred tax expense/(credit) relating to changes in tax rates or laws	7,605	(1,471)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(101,084)</u>	<u>(77,929)</u>
Total tax charge	<u>1,420,328</u>	<u>543,995</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Deferred tax

Deferred tax assets and liabilities

	Asset £
31 October 2017	
Accelerated capital allowances	<u>8,753</u>
	Liability £
31 October 2016	
Accelerated capital allowances	<u>67,652</u>

14 Intangible assets

	Goodwill £	Trademarks £	Computer software £	Total £
Cost or valuation				
At 1 November 2016	1	1	97,122	97,124
Additions acquired separately	<u>-</u>	<u>-</u>	<u>39,060</u>	<u>39,060</u>
At 31 October 2017	<u>1</u>	<u>1</u>	<u>136,182</u>	<u>136,184</u>
Amortisation				
At 1 November 2016	-	-	23,839	23,839
Amortisation charge	<u>-</u>	<u>-</u>	<u>27,237</u>	<u>27,237</u>
At 31 October 2017	<u>-</u>	<u>-</u>	<u>51,076</u>	<u>51,076</u>
Carrying amount				
At 31 October 2017	<u>1</u>	<u>1</u>	<u>85,106</u>	<u>85,108</u>
At 31 October 2016	<u>1</u>	<u>1</u>	<u>73,283</u>	<u>73,285</u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £47,863).

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

15 Tangible assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 November 2016	1,091,232	204,971	563,534	1,859,737
Additions	-	-	5,796	5,796
Disposals	-	-	(362,082)	(362,082)
At 31 October 2017	<u>1,091,232</u>	<u>204,971</u>	<u>207,248</u>	<u>1,503,451</u>
Depreciation				
At 1 November 2016	213,057	88,011	207,298	508,366
Charge for the year	21,825	40,995	23,211	86,031
Eliminated on disposal	-	-	(97,117)	(97,117)
At 31 October 2017	<u>234,882</u>	<u>129,006</u>	<u>133,392</u>	<u>497,280</u>
Carrying amount				
At 31 October 2017	<u>856,350</u>	<u>75,965</u>	<u>73,856</u>	<u>1,006,171</u>
At 31 October 2016	<u>878,175</u>	<u>116,960</u>	<u>356,236</u>	<u>1,351,371</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

16 Investments in subsidiaries, joint ventures and associates

	2017 £	2016 £
Investments in subsidiaries	110,487,351	110,487,351
Investments in joint ventures	48,591	48,591
	<u>110,535,942</u>	<u>110,535,942</u>

Subsidiaries	£
Cost or valuation	
At 1 November 2016	<u>110,487,351</u>
At 31 October 2017	<u>110,487,351</u>
Carrying amount	
At 31 October 2017	<u>110,487,351</u>
At 31 October 2016	<u>110,487,351</u>

Joint ventures	£
Cost	
At 1 November 2016	<u>48,591</u>
At 31 October 2017	<u>48,591</u>
Carrying amount	
At 31 October 2017	<u>48,591</u>
At 31 October 2016	<u>48,591</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2017	2016
Subsidiary undertakings				
Origio A/S	Denmark	Ordinary	100%	100%
Kivex Holding ApS	Denmark	Ordinary	100%	100%

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Joint ventures

Name of joint venture	Country of incorporation	Holding	2016	2015
Reprovie SAS	France	Ordinary	50%	50%

The principal activity of Origio A/S is developing, manufacturing and distribution of equipment for IVF clinics

The principal activity of Kivex Holding ApS is also developing, manufacturing and distribution of equipment for IVF clinics

The principal activity of Reprovie SAS is the sale of medical devices.

The company's share of net assets of the joint venture at the year end is £49,193 (2016 - £46,643).

17 Stocks

	2017 £	2016 £
Raw materials and goods for resale	<u>7,099,276</u>	<u>3,647,938</u>

The cost of stocks recognised as an expense in the year amounted to £8,508,544 (2016 - £4,836,954).

Impairment of stocks

The amount of impairment loss included in profit or loss is £157,614 (2016 - £356,703).

18 Debtors

	Note	2017 £	2016 £
Trade debtors		71,288	1,659,778
Amounts due from group undertakings	26	1,872,584	1,963,454
Other debtors		675,973	206,157
Prepayments		30,693	240,269
Deferred tax assets	13	8,753	-
Income tax asset	13	-	91,368
		<u>2,659,291</u>	<u>4,161,026</u>

The amount of bad debts recognised in the year amounted to £103,777 (2016 - £40,465), this is included within administrative expenses in the profit and loss account.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

Details of trade and other debtors

£Nil (2016 - £463,604) of the amounts due from group undertakings is classified as non current. This element of amounts due from group undertakings related to an unsecured loan that was repayable on 31 October 2019. The amounts owed by the group undertaking were received early during the current financial year.

19 Cash and cash equivalents

	31 October 2017 £	31 October 2016 £
Cash on hand	4,526	8,263
Cash at bank	2,222,180	1,589,698
	<u>2,226,706</u>	<u>1,597,961</u>

20 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		2,189,071	1,002,648
Amounts due to group undertakings		1,821,067	577,329
Corporation tax		12,994	-
Social security and other taxes		55,205	69,327
Outstanding defined contribution pension costs		8,346	21,283
Other creditors		35,407	108,433
Accrued expenses		471,925	273,898
Deferred income	7	14,037	7,968
		<u>4,608,052</u>	<u>2,060,886</u>
Due after one year			
Loans and borrowings	21	-	6,711,925
Deferred Income	7	11,604	31,871
		<u>11,604</u>	<u>6,743,796</u>

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

21 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Other borrowings	-	6,711,925

The other borrowings in the prior year related to amounts owed to group undertakings that were unsecured and repayable on 31 October 2018. Interest was charged at a rate of 5.42%. The amounts owed to the group undertaking were repaid early during the current financial year.

22 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	31 October 2017 £	31 October 2016 £
Not later than one year	28,678	27,793
Later than one year and not later than five years	14,982	2,320
	<u>43,660</u>	<u>30,113</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £123,491 (2016 - £108,807).

Operating leases - lessor

The total of future minimum lease payments is as follows:

	31 October 2017 £	31 October 2016 £
Not later than one year	-	51,150
Later than one year and not later than five years	-	20,150
	<u>-</u>	<u>71,300</u>

Total contingent rents recognised as income in the period are £25,039 (2016 - £59,520).

Equipment was supplied under a 6 year operating lease with a break clause after 3 years.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

23 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 November 2016	67,652	67,652
Increase (decrease) in existing provisions	<u>(76,405)</u>	<u>(76,405)</u>
At 31 October 2017	<u>(8,753)</u>	<u>(8,753)</u>

24 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £52,625 (2016 - £63,503).

Contributions totalling £8,346 (2016 - £21,283) were payable to the scheme at the end of the year and are included in creditors.

25 Share capital

Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary shares of £1 each	<u>102,514,087</u>	<u>102,514,087</u>	<u>102,514,087</u>	<u>102,514,087</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

All ordinary shares have equal voting rights and rights on winding up.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

26 Related party transactions

Transactions with directors

	At 1 November 2015 £	Advances to directors £	Repayments by director £	At 31 October 2016 £
2016				
W R Brown				
Director's loan account	<u>(91,725)</u>	<u>93,263</u>	<u>(1,538)</u>	<u>-</u>
D C Lansdowne				
Director's loan account	<u>(18,000)</u>	<u>18,272</u>	<u>(272)</u>	<u>-</u>
J C Retallack				
Director's loan account	<u>(54,740)</u>	<u>54,740</u>	<u>-</u>	<u>-</u>

Director's loan accounts accrue interest at 7% and are repayable on demand.

Summary of transactions with joint ventures

During the year Research Instruments made sales to joint ventures in which it controls 50% of the share capital.

Income and receivables from related parties

	Joint ventures £
31 October 2017	
Amounts receivable from related party	<u>19,758</u>
	Joint ventures £
31 October 2016	
Sale of goods	<u>201,112</u>
Amounts receivable from related party	<u>41,484</u>

The company has taken advantage of the exemption under paragraph 33.1A "Related Party Disclosures" of FRS102 from disclosing transactions with other wholly owned members of the group.

Research Instruments Limited

Notes to the Financial Statements

Year Ended 31 October 2017

27 Parent and ultimate parent undertaking

The company's immediate parent is Coopersurgical Holdings Limited, incorporated in England and Wales.

The ultimate parent is The Cooper Companies, Inc., incorporated in The United States of America.

The most senior parent entity producing publicly available financial statements is The Cooper Companies, Inc..

These financial statements are available upon request from The Cooper Companies, Inc.
6140 Stoneridge Mall Road,
Suite 590,
Pleasanton,
CA 94588

The ultimate controlling party is the directors of The Cooper Companies, Inc.

Relationship between entity and parents

The parent of the smallest group in which these financial statements are consolidated is The Cooper Companies, Inc., incorporated in The United States of America.

The address of The Cooper Companies, Inc. is:
The Cooper Companies, Inc.
6140 Stoneridge Mall Road,
Suite 590,
Pleasanton,
CA 94588