

GYRUS MEDICAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

12 months to 31st March 2019
Registered number 2349996



Strategic Report

The Directors present their strategic report for the year ended 31 March 2019.

Review of the business

The company's main activities are the design, development and manufacture of advanced electrosurgical systems.

The key financial and other performance indicators were as follows

	2019	2018	Change
	£000	£000	%
Turnover	39,288	39,905	-2%
Operating Profit	5,851	6,873	-15%
Profit for the year	5,704	6,362	-10%
Shareholders' funds	25,456	19,751	29%
Average number of employees	218	212	3%

Turnover decreased by 2% in the year ended 31 March 2019 with sales in to Europe increasing by 8% due to the growth of new products launched in the prior year. Sales in to the US reduced by 15% as more product is sold into Europe.

Future developments

Gyrus Medical Limited will continue to focus on financial targets and new product developments, which will secure its future success and carefully assess activities to ensure that it delivers added value to the customer and therefore the company.

Several technologically innovative projects are currently under development and the research and development teams will continue to focus on progressing the current development plans that will contribute and support the revenue growth in future years.

The company continues to implement efficiency improvement measures and have identified further improvement measures to ensure that cost improvements are realised.

Gyrus Medical expects to continue the sales growth over the coming year as revenue from new products launched in the current year is launched in further markets.

Principal risks and uncertainties

The main risk to the business is the volatility of the exchange rate, with a large percentage of turnover to Europe and the US.

A cash pooling exercise is established with Olympus Europa SE & Co. KG to assist in minimising foreign exchange exposure. As part of this process the Directors have received assurances that immediate access to these funds will be available to Gyrus Medical Limited to continue to meet its obligations as they fall due.

On behalf of the Board

David Simon Edwards

Director

Date


28 Oct 2019

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 31 March 2019.

Results and Dividends

The profit for the year after taxation amounted to £5,704k (2018- profit of £6,362k). No Dividend was approved or paid in the year (2018 - £0K).

Financial Control

The Directors acknowledge responsibility for the company's system of internal financial controls and believe that they are appropriate for the business. The accounting policies have been applied consistently and disclose with reasonable accuracy the financial position of the company.

It is the view of the Directors that the financial statements presented represent a true and fair view of the company.

Going Concern

The company has sufficient cash, forecasted orders and R&D projects for the Directors to conclude that the company is a going concern.

Post Balance sheet Event.

Subsequent to the end of the financial year the company completed the Purchase of all new commercial activities related to the VERSAPOINT™ Electrosurgery system from Ethicon. The company expects that this acquisition which will take effect from 1 January 2020 will significantly improve the trading and operating performance.

Directors and Directors' interest

The Directors who held office during the year were:

D S Edwards
A Roggan

Directors indemnity insurance is provided to cover the above Directors.

Disclosure of information to the Auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors.

In accordance with section 485 of the Companies Act 2006, a resolution to reappoint Ernst & Young LLP as the company's auditors will be put forward to the members at the forthcoming Annual General Meeting.

By order of the Board



David Dickens
Company Secretary
Date

25 Oct 2019.

Fortran Road,
St Mellons,
Cardiff
CF3 0LT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 then apply them consistently;
- make judgments and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYRUS MEDICAL LIMITED

Opinion

We have audited the financial statements of Gyrus Medical Limited for the year ended 31 March 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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

Ernst & Young LLP

Paul Mapleston (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol, UK

Date *4th November 2019*

Profit and Loss Account

For the year ended 31st March 2019

	Note	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Turnover	2	39,288	39,905
Cost of sales		<u>(22,944)</u>	<u>(22,159)</u>
Gross profit		16,343	17,746
Operating expenses	3	<u>(10,492)</u>	<u>(10,873)</u>
Operating profit		5,851	6,873
Interest receivable and similar income	7	<u>56</u>	<u>20</u>
Profit on ordinary activities before taxation		5,907	6,893
Taxation	8	<u>(203)</u>	<u>(531)</u>
Profit for the year		<u>5,704</u>	<u>6,362</u>
Statement of comprehensive income			
Profit for the financial year		<u>5,704</u>	<u>6,362</u>
Total comprehensive income for the year		<u><u>5,704</u></u>	<u><u>6,362</u></u>

There are no items included in the statement of comprehensive income other than the profit for each of the periods stated above.

The accompanying notes are an integral part of the financial statements.

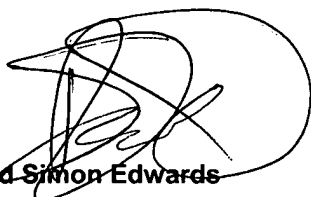
All activities were in respect of continuing operations.

Balance Sheet

	Note	31 March 2019 £000	31 March 2018 £000
Fixed assets			
Tangible assets	9	2,661	2,235
Current assets			
Stocks	10	7,099	6,735
Debtors - due within one year	11	19,894	14,838
Debtors - due after one year	11	687	691
		20,581	15,529
Cash at bank and in hand		611	1,029
		28,291	23,294
Creditors: amounts falling due within one year	13	(5,496)	(5,777)
Net current assets		22,795	17,516
Total assets less current liabilities		25,456	19,751
Net assets		25,456	19,751
Capital and reserves			
Share Capital	14	1,536	1,536
Share premium account		4,058	4,058
Profit and loss account		19,862	14,157
Shareholders' funds		25,456	19,751

The accompanying notes are an integral part of the financial statements.

These financial statements were approved by the Board of Directors on 25 October 2019 and were signed on its behalf by:



David Simon Edwards

Director

Registered Number 2349996

Statement of Changes in Equity

	Called up share capital £000	Share premium £000	Profit and loss £000	Shareholders' funds £000
At 1 April 2017	1,536	4,058	7,795	13,389
Profit for the financial period and total comprehensive income	-	-	6,362	6,362
As at 31 March 2018	1,536	4,058	14,157	19,751
At 1 April 2018	1,536	4,058	14,157	19,751
Profit for the financial period and total comprehensive income	-	-	5,704	5,704
As at 31 March 2019	1,536	4,058	19,862	25,456

Notes to the Financial Statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting conventions

Basis of preparation

Gyrus Medical Limited is a limited liability company incorporated in Wales. The registered office is Fortran Road, St Mellons, Cardiff, CF3 0LT.

The financial statements have been prepared under the historical cost convention, and in accordance with FRS 102.

Gyrus Medical Limited has adopted the following disclosure exemptions:

- the requirement to prepare a cash flow statement and related notes;
- the requirement to disclose related party transactions in respect of intra-group transactions;
- the requirement to disclose financial instrument disclosures;
- the requirement to disclose remuneration of key personnel;
- the requirement to disclose a reconciliation of the number of shares outstanding at the beginning and end of the year; and
- the requirement to disclose share based payments

The above exemptions have been applied on the grounds that the company's information is included in the consolidated financial statements of its ultimate parent company, Olympus Corporation, which are publicly available.

The financial statements are prepared in GBP sterling which is the functional currency. Figures are included in round thousands.

Going Concern

Going concern has been considered by the directors. Due to the positive cash balances and strong trading forecast for the next 12 months, going concern is considered the appropriate basis of preparation.

A cash pooling arrangement is in existence with Olympus Europa SE & Co. KG to assist in minimising foreign exchange exposure. As part of this process the Directors have received assurances that adequate cash resources will remain available to Gyrus Medical Limited to continue to meet its obligations as they fall due.

Turnover

Product sales are recognised upon shipment of products.

Turnover excludes VAT and similar taxes and trade discounts.

Cost of sales

Cost of sales represents cost of product sales.

Research and development

Expenditure on research and development is written off to the profit and loss account as incurred.

Other operating income

Other operating income represents income earned on research and development activity on behalf of third parties. Income is matched to expenditure incurred. Excess income received is accrued until expenditure incurred.

Intellectual property rights

Patent disputes are common in the medical devices sector, particularly in the US. Litigation is frequently used to assess the relative merits of such disputes prior to settlement through commercial agreement. All expenditure on intellectual property rights, including the costs of patents and trademarks and the defence of the Group's intellectual property rights, are written off to the profit and loss account as incurred.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the exchange rate ruling on the date of the transaction. Foreign currencies received are translated into sterling at the exchange rate ruling on the date of conversion or at a forward contract rate if hedged.

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. The resulting exchange differences are charged to the profit and loss account for the year.

Notes to the Financial Statements (continued)

1. Accounting policies (continued)

Taxation

Corporation tax is recorded on taxable profits at the current rate.

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 March 2019 has been calculated based on these rates.

Fixed assets and depreciation

Tangible fixed assets are stated at cost net of depreciation. Depreciation is provided to write off the costs less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures and fittings	-	3 Years
Motor vehicles	-	3 Years
Leasehold improvements	-	Term of lease
Plant and machinery	-	3 to 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis and includes transport and handling costs. In the case of manufactured products, costs include all direct expenditure and production overheads based on normal level of activity. Net realisable value is the price at which the stocks can be sold in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition. Provision is made where necessary for obsolete, slow-moving and defective stocks.

Deferred income

Advance royalties and non-refundable supply deposits received in connection with development collaboration agreements are deferred on receipt and released to the profit and loss account in accordance with such agreements.

Pension scheme arrangement

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an adequately administered fund. The pension cost charge represents contributions payable by the company to the fund.

Finance and operating leases

Where the company enters into a lease which entails taking substantially all the risk and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is the shorter. Future instalments under such leases, net of finance charges are included in creditors. Rentals are apportioned between the finance element, which is charged to the profit and loss account, and the capital element, which reduces the outstanding obligation for future instalments. All other leases are accounted for as "operating leases" and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Notes to the Financial Statements (continued)

2. Segmental information

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
<i>Turnover by geographic markets</i>		
United Kingdom and Rest of Europe	23,062	21,420
North America	15,247	17,858
Rest of World	979	627
	<u>39,288</u>	<u>39,905</u>

3. Operating expenses

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
<i>Operating expenses</i>		
Research and development expenses	7,318	6,417
Administration expenses	3,526	3,694
Net Exchange (Gain) / Loss	(352)	762
	<u>10,492</u>	<u>10,873</u>

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Depreciation of tangible fixed assets:		
Owned	947	1,027
Operating lease rentals for:		
Land and buildings	252	337
Plant and machinery	81	72
Auditors remuneration:		
Audit services	56	53
	<u>1,336</u>	<u>1,489</u>

Notes to the Financial Statements (continued)

5. Directors' remuneration

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Directors' emoluments	211	196
Pension contributions to defined contribution scheme.	14	13
	<u>225</u>	<u>209</u>

	Number Year ended 31 March 2019	Number Year ended 31 March 2018
Retirement benefits are accruing to the following number of directors under: Defined contribution schemes	<u>1</u>	<u>1</u>

6. Staff numbers and costs

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

	Number of employees Year ended 31 March 2019	Number of employees Year ended 31 March 2018
Research and development	71	71
Production	130	125
General and administration	17	16
	<u>218</u>	<u>212</u>

Their aggregate remuneration comprised:

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Wages and salaries	8,030	8,011
Social security costs	654	747
Other pension costs	718	822
	<u>9,402</u>	<u>9,580</u>

Notes to the Financial Statements (continued)

7. Interest receivable and similar income

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Bank interest	56	20
	<u>56</u>	<u>20</u>

8. Taxation

Analysis of charge:

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
<i>Current tax</i>		
UK corporation tax charge on profit for the year	291	520
Adjustment in respect of prior years	(94)	109
Total current tax charge/(credit)	<u>196</u>	<u>629</u>
<i>Deferred tax</i>		
Current year (credit)/charge	4	(3)
Adjustment relating to prior year	3	(95)
Tax charge on profit of ordinary activities	<u>203</u>	<u>531</u>

Notes to the Financial Statements (continued)

8. Taxation (continued)

The total charge for the year differs from the standard rate of corporation in the UK. The differences are explained below.

	Year ended 31 March 2019	Year ended 31 March 2018
	£000	£000
Current tax reconciliation		
Profit on ordinary activities before taxation	5,907	6,893
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	<u>1,123</u>	<u>1,310</u>
Effects of:		
Expenses not deductible for tax purposes	4	4
Patent Box deduction	(473)	(494)
R&D tax credit relief	(358)	(303)
Adjustment in respect of prior years	(94)	18
Total tax charge for year	<u>200</u>	<u>535</u>

Factors that may affect future tax charges

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2018) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2017, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2018. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 March 2019 has been calculated based on these rates.

9. Tangible fixed assets

	Leasehold Improvements	Plant and Machinery	Motor Vehicles	Fixtures and Fittings	Total
	£000	£000	£000	£000	£000
Cost					
At beginning of year	3,399	6,014	52	7,118	16,583
Additions	253	766	-	354	1,373
At end of year	<u>3,652</u>	<u>6,780</u>	<u>52</u>	<u>7,472</u>	<u>17,956</u>
Depreciation					
At beginning of year	2,621	4,950	50	6,727	14,348
Charge for the year	247	407	2	291	947
At end of year	<u>2,868</u>	<u>5,357</u>	<u>52</u>	<u>7,018</u>	<u>15,295</u>
Net book value					
At 31 March 2019	<u>784</u>	<u>1,423</u>	<u>-</u>	<u>454</u>	<u>2,661</u>
At 31 March 2018	<u>778</u>	<u>1,064</u>	<u>2</u>	<u>391</u>	<u>2,235</u>

Notes to the Financial Statements (continued)

10. Stocks

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Raw materials and consumables	5,837	4,712
Work in progress	743	1,414
Finished goods and goods for resale	519	609
	<u>7,099</u>	<u>6,735</u>

11. Debtors

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Trade debtors	2,656	3,746
Amounts due from fellow subsidiaries	15,776	10,495
Other debtors	785	405
Prepayments and accrued income	536	192
Corporation tax debtor	141	-
Debtors due within one year	<u>19,894</u>	<u>14,838</u>
Deferred tax asset - due after one year (see note 12)	687	691
Amounts due from fellow subsidiaries are interest free and have no fixed terms for repayment	<u>20,581</u>	<u>15,529</u>

12. Deferred taxation

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
At beginning of period	691	596
(Charge)/Credit to profit and loss account in year	(4)	95
At end of period	<u>687</u>	<u>691</u>

The elements of deferred taxation are as follows:

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Difference between accumulated depreciation/ amortisation and capital allowances	611	615
Other provisions and timing differences	76	76
Total deferred tax asset	<u>687</u>	<u>691</u>

Notes to the Financial Statements (continued)

13. Creditors: amounts falling due within one year

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Trade creditors	2,542	2,213
Amounts due to other group undertakings	593	222
Other creditors	2,361	2,785
Corporation Tax Creditor	0	557
Amounts due to other group undertakings are interest free and have no fixed terms for repayment	<u>5,496</u>	<u>5,777</u>

14. Called up share capital

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Allotted:		
1,535,517 ordinary shares of £1 each	1,536	1,536
Shares classified in shareholders' funds	1,536	1,536

15. Dividends

During the year the Company did not pay any final dividend. (2018: Nil).

Notes to the Financial Statements (continued)

16. Financial commitments

	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Capital expenditure		
Contracted for next twelve months	45	45
	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Total commitments under non-cancellable operating leases which mature as follows:		
Land and buildings:		
Not later than one year	252	337
Later than one year and not later than five years	-	248
Other:		
Not later than one year	29	26
Later than one year and not later than five years	53	15

17. Pensions

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 £704,555 (2018: £822,333).

All Contributions were paid to the scheme during the year ended 31 March 2019.

18. Post Balance Sheet event.

Subsequent to the end of the financial year the company completed the Purchase of all new commercial activities related to the VERSAPOINT™ Electrosurgery system from Ethicon. The company expects that this acquisition which will take effect from 1 January 2020 will significantly improve the trading and operating performance.

19. Ultimate controlling party

The immediate parent undertaking and controller is Olympus Winter & IBE GmbH, Hamburg, Germany.

Olympus Corporation is the ultimate controlling party of the company, a company registered in Japan.

Copies of the financial statements of Olympus Corporation can be obtained from 43-2 Hatagaya 2-Chome, Shibuya Ku, Tokyo, 151-0072, Japan.