REGISTERED NUMBER: 03640077

Annual report and

Financial Statements for the year ended 30 June 2019

for

Mirion Technologies (Canberra UK) Limited

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Mirion Technologies (Canberra UK) Limited (Registered number: 03640077)

Contents of the Financial Statements
for the year ended 30 June 2019

Mirion Technologies (Canberra UK) Limited

Company Information
for the year ended 30 June 2019

DIRECTORS:	J Cocks	
	E Lee	(appointed 25 September 2018)
	T D Logan	(appointed 25 September 2018)
	K R Neal	(resigned 28 August 2018)
COMPANY SECRETARY:	AG Secretarial Limited	
REGISTERED OFFICE:	Unit 2 Zephyr Building Eighth Street, Harwell Campus Oxford Didcot Oxfordshire United Kingdom OX11 0RL	
REGISTERED NUMBER:	03640077	
AUDITOR:	Deloitte LLP Abbots House Reading RG1 3BD	

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

PRINCIPAL ACTIVITY

The company has a long history of supplying innovative measurement solutions for nuclear safety and security applications. The company is a subsidiary of Canberra Industries Inc., based in the USA.

The company offers an extensive range of instrumentation to the UK nuclear industry. We work closely with our customers to provide them with high quality, value for money solutions to meet all their nuclear instrumentation requirements. We also provide after-sale service and support to our customers, with technical staff located at, or close to, all the major UK nuclear sites.

The company offers an extensive range of standard products and undertakes major instrumentation projects to develop custom system solutions. We service these contracts using our experienced team of professional engineers in Harwell, utilising our nuclear licensed assembly and test facilities.

We are ISO 9001 registered company. Our products, capabilities and services include:

Nuclear Power Plants
- Solutions for counting rooms, environmental and contamination monitoring, in vivo measurements, waste characterisation and surveillance.

Laboratories and Fuel Cycle
- Specialised solutions for Gamma and Alpha spectroscopy, Alpha/Beta counting, Critical monitoring, Non Destructive Assay and waste measurement, Health Physics and Environmental Monitoring products.

Military and Non-Proliferation
- Force protection solutions suitable for a variety of applications in and out of theatre
- Equipment supporting international efforts against the proliferation of nuclear weapons security
- Includes fixed, mobile or portable detection technologies to quickly detect and identify the presence of radioactive materials.

REVIEW OF BUSINESS

The company's key financial and other performance indicators during the year were as follows:

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Turnover	8,538	12,007
Operating loss	(857)	(149)
Loss after tax	(693)	(141)
Net assets	3,361	4,054
	No.	No.
Average number of employees	44	43

The company's sales are strongly focused on the UK nuclear and security market. The company's products and systems are also sold through a worldwide network of sales offices and subsidiaries operated by the immediate parent company (Canberra Industries Inc.).

FUTURE DEVELOPMENTS

The specific programmes of activity include:

- Secure long term partnership with existing customers to leverage Canberra's worldwide expertise;
- Increase our skills growth through sponsorship for University experts; and
- Continually strive to improve Safety, Quality, Cost and Delivery for the benefit of our staff and customers.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to be competition from other engineering companies, the economic cycle and employee retention. These risks are formally considered by the Board and appropriate processes put in place to monitor and mitigate them.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk. The Board's policies for managing the company's financial risks are implemented by the company's finance department.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company maintains an appropriate balance of cash and debt facilities that is designed to ensure the company has sufficient available funds for operations.

Interest rate risk

The company has interest bearing assets which are cash balances. The company does not use derivative financial instruments to manage interest rate costs and as such no hedge accounting is applied.

This report was approved by the board of directors and signed on behalf of the board by:

DocuSigned by:
James Cocks
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J Cocks - Director

Date: 23 June 2020

Report of the Directors
for the year ended 30 June 2019

The directors present their report with the audited financial statements of the company for the year ended 30 June 2019.

RESULTS AND DIVIDENDS
The financial statements have been prepared in accordance with FRS 102. The result for the year, after taxation, was a loss of £693,000 (year ended 30 June 2018: loss of £141,000). No dividends will be distributed for the year ended 30 June 2019 (year ended 30 June 2018: £nil).

DIRECTORS
The directors shown below have held office during the whole of the period from 1 July 2018 to the date of this report.

J Cocks	
K R Neal	(resigned 28 August 2018)
E Lee	(appointed 25 September 2018)
T D Logan	(appointed 25 September 2018)

GOING CONCERN
The World Health Organisation ("WHO") declared on January 30, 2020, that the outbreak of the new coronavirus disease 2019 ("COVID-19") was a Public Health Emergency of International Concern.

On March 11, 2020, the WHO declared COVID-19 a pandemic, pointing to the spread of the virus in over 110 countries and territories around the world and the sustained risk of further global spread.

Given the spread of the coronavirus, the range of potential outcomes for the global economy are difficult to predict at this point in time. We therefore have a clear focus on protecting our people and our customer services. To date, our factory, office and customer services have been up and running and customers continue to receive our services.

The business has maintained services to the Nuclear fuel reprocessing, Nuclear waste storage, nuclear decommissioning, laboratories, education and research, which are all essential industries which require continuity of supply chain. Management has assessed the risk by inspecting their forecast in detail and note the entity still maintains a positive net asset value as well as a positive cash balance through this pandemic. The impact of Covid-19 on the revenue resulted in a decline of 18% compared to budget. Management considers it likely that the majority of delayed projects will be restarted in 2021. The company is however very well positioned with strong capital backing and liquidity resources from the parent company through a letter of support.

We are monitoring the COVID -19 outbreak development closely and follow the guidance from the UK government. We have been implementing contingency plans to mitigate the potential adverse impact on the company's employees and operation. If the entity does identify a need to take remedial actions, there may be certain government schemes for which the Group is eligible. The entity may also consider a cost reduction initiative. However, management's assessment is that these measures are not needed to continue as a Going Concern.

COVID-19 has caused significant uncertainty across global markets. However, management is of the view that risk has been mitigated such that the entity will be able to operate as a Going Concern for the next 12 months.

DESIGN AND DEVELOPMENT
The company continued with its Research and Development programme during the period, investing over £337,000 (year ended 30 June 2018: £255,000) in new product development. All expenditure on Research and Development is expensed through the Profit and Loss Account. These programmes will continue in the coming year.

The company has continued to maintain its reputation for providing high quality products, services and systems that deliver value for money for customers.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

EMPLOYEE INVOLVEMENT

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings.

EMPLOYMENT OF DISABLED PERSONS

The company values diversity and sees equal opportunity as making the best use of the talents of all employees and potential employees. As such it is the company's policy to give full and fair consideration to applications for employment by disable persons, bearing in mind the abilities of the applicant concerned. The company will not tolerate discrimination in the workplace and aims to ensure that each employee feels valued and has the opportunity to contribute fully to the success of the company. The company's general policy on training and promotion is to fit the qualifications and potential of each member of its staff to the appropriate job and career in the business. This policy is applied to disabled persons in the same way as to other staff. In the event of an employee becoming disabled, the company endeavours to continue their employment, retraining them where appropriate, provided there are duties which they can perform considering the particular handicap or disability.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far the directors are aware, there is no relevant audit information of which the auditor is unaware. Each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR
Deloitte LLP have expressed their willingness to be reappointed as auditor and a resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

POST BALANCE SHEET EVENTS
Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' defines an adjusting event as an even that provides evidence of conditions that existed at the end of the reporting period. A non-adjusting event is an event that is indicative of conditions that arose after the end of the reporting period. As at 31 December 2019, there were a limited number of Covid -19 cases that had been reported to the World Health Organisation. There was no explicit evidence of human-to-human transmission at that date. These are the conditions that existed on 31 December 2019.

The subsequent spread of the virus and its identification as a new coronavirus does not provide additional evidence about the situation that existed on 31 December 2019, and it is therefore a non-adjusting event. Non-adjusting events do not result in adjustment to the financial statements, but they do require disclosure if material.

BREXIT
Management has conducted a risk assessment and worked to understand the exposure in both the short and longer term due to Brexit. Mirion Technology (Canberra UK) Limited is not affected by Brexit due to the expectation that there will be no change in import tariffs and the majority of sales are derived in the United Kingdom. The company has assessed the risk of staff retention and, as all employees are UK nationals, deem this not to be a risk.

Please refer to the Strategic Report for details on future developments, principle risks and uncertainties and financial risk management.

This report was approved by the board of directors and signed on behalf of the board by:

DocuSigned by:
James Cocks
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J Cocks - Director

Date: 23 June 2020

Independent auditor's report to the members of Mirion Technologies (Canberra UK) Limited
Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Mirion Technologies (IST) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 20.

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).

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

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 respect of these matters.

Independent auditor's report to the members of Mirion Technologies (Canberra UK) Limited

Report on the audit of the financial statements

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Andrew Hornby

Andrew Hornby, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom

24 June 2020

Income Statement
for the year ended 30 June 2019

	Notes	Year ended 30 June 2019 £000	Year ended 30 June 2018 £000
TURNOVER	2	8,538	12,007
Cost of sales		(4,981)	(7,874)
GROSS PROFIT		3,557	4,133
Administrative expenses		(4,414)	(4,282)
OPERATING LOSS	5	(857)	(149)
Interest receivable and similar income		138	83
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(719)	(66)
Tax on loss on ordinary activities	7	26	(75)
LOSS FOR THE FINANCIAL PERIOD		(693)	(141)

All amounts are attributable to the owner of the parent company.

There were no items of other comprehensive income during the year or the comparative period.

Mirion Technologies (Canberra UK) Limited (Registered number: 03640077)

Statement of Financial Position
As at 30 June 2019

	Notes	30 Jun 2019 £000	30 June 2018 £000
FIXED ASSETS			
Tangible fixed assets	8	829	204
		829	204
CURRENT ASSETS			
Stocks	9	336	337
Debtors falling due within one year	10	4,999	4,875
Debtors due after more than one year	10	70	191
Cash at bank and in hand		235	1,571
		5,640	6,974
CREDITORS			
Amounts falling due within one year	11	(2,834)	(2,850)
NET CURRENT ASSETS		2,806	4,124
TOTAL ASSETS LESS CURRENT LIABILITIES		3,635	4,328
PROVISIONS FOR LIABILITIES	13	(274)	(274)
NET ASSETS		3,361	4,054
CAPITAL AND RESERVES			
Called up share capital	14	-	-
Capital contribution reserve		4,983	4,983
Profit and loss account	14	(1,622)	(929)
TOTAL EQUITY		3,361	4,054

The financial statements on pages 8 to 22 were approved by the Board of Directors and authorised for issue on 23 June 2020 and were signed on its behalf by:

DocuSigned by:
James Cocks
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J Cocks - Director

Statement of changes in equity
for the year ended 30 June 2019

	Share capital *£000*	*Capital contribution* *£000*	*Profit and loss account* *£000*	*Total* *£000*
At 1 July 2017	-	4,983	(788)	4,195
Total comprehensive loss in the year	-	-	(141)	(141)
At 30 June 2018	-	4,983	(929)	4,054
Total comprehensive loss in the year	-	-	(693)	(693)
At 30 June 2019	-	4,983	(1,622)	3,361

The notes form part of these financial statements

Statement of cash flows
for the year ended 30 June 2019

	Notes	Year ending 30 June 2019 £000	Year ending 30 June 2018 £000
Cash generated by operations	19	(578)	704
Cash flows from investing activities			
Purchase of tangible fixed assets		(896)	(245)
Interest received		138	83
Net cash flow from investing activities		(758)	(162)
Cash flows from financing activities			
Dividend paid		-	-
Net cash flow from financing activities		-	-
(Decrease)/increase in cash and cash equivalents		(1,336)	542
Cash and cash equivalents at 1 July		1,571	1,029
Cash and cash equivalents at 30 June		235	1,571

1. **ACCOUNTING POLICIES**

Statement of compliance

Mirion Technologies (Canberra UK) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office and main trading address is given on page 1. The financial statements have been prepared in compliance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as it applies to the financial statements of the company and in accordance with the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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

The financial statements are prepared in sterling which is the functional currency of the company.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments and disclosure of related party transactions.

Going concern

The World Health Organisation ("WHO") declared on January 30, 2020, that the outbreak of the new coronavirus disease 2019 ("COVID-19") was a Public Health Emergency of International Concern.

On March 11, 2020, the WHO declared COVID-19 a pandemic, pointing to the spread of the virus in over 110 countries and territories around the world and the sustained risk of further global spread.

Given the spread of the coronavirus, the range of potential outcomes for the global economy are difficult to predict at this point in time. We therefore have a clear focus on protecting our people and our customer services. To date, our factory, office and customer services have been up and running and customers continue to receive our services..

The business has maintained services to the Nuclear fuel reprocessing, Nuclear waste storage, nuclear decommissioning, laboratories, education and research, which are all essential industries which require continuity of supply chain. Management has assessed the risk by inspecting their forecast in detail and note the entity still maintains a positive net asset value as well as a positive cash balance through this pandemic. The impact of Covid-19 on the revenue resulted in a decline of 18% compared to budget. Management considers it likely that the majority of delayed projects will be restarted in 2021. The company is however very well positioned with strong capital backing and liquidity resources from the parent company through a letter of support.

We are monitoring the COVID -19 outbreak development closely and follow the guidance from the UK government. We have been implementing contingency plans to mitigate the potential adverse impact on the company's employees and operation. If the entity does identify a need to take remedial actions, there may be certain government schemes for which the Group is eligible. The entity may also consider a cost reduction initiative. However, management's assessment is that these measures are not needed to continue as a Going Concern.

COVID-19 has caused significant uncertainty across global markets. However, management is of the view that risk has been mitigated such that the entity will be able to operate as a Going Concern for the next 12 months.

Turnover
Turnover represents the amounts receivable for the provision of services and the sale of goods during the year, excluding VAT and trade discounts. Turnover is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be measured reliably.

Turnover for the sale of goods is recognised when the customer is invoiced.

Turnover for service contracts is recognised on a straight line basis over the life of the contract.

The company's policy for the recognition of revenue from long-term contracts is described below.

Long-term contracts
Revenue for long-term contracts is recognised by stage of completion. In application of this method, revenue and income from contracts are recognised over the period of performance of the contract. Depending on the type and complexity of the contracts, the company applies the percentage of completion method. Amounts receivable on long-term contracts, which are included in debtors, are stated at net sales value of work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on accounts. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated losses on contracts, are included as long-term contract balances in stocks.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and are subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its useful expected life, as follows:

Land and buildings	- 3-10% per annum
Improvements to leasehold property	- 3% per annum
Machinery and equipment	- 10-33% per annum
Fixtures and fittings	- 20% per annum

Interest income
Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Stocks
Stocks, which consist of raw materials, goods for resale and work in progress, are stated at the lower of cost and net realisable value. Cost of stocks comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A provision is made for obsolete and slow-moving or defective items where appropriate.

1. **ACCOUNTING POLICIES - continued**

Taxation
The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Design and development
Expenditure on design and development is written off in the period in which it is incurred.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Provisions
Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation.

1. **ACCOUNTING POLICIES - continued**

Financial instruments

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.

Financial instruments are recognised 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

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

1. **ACCOUNTING POLICIES - continued**

Financial instruments - continued
Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

De-recognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Finance lease agreements
Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating lease agreements
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Pension costs
The company contributes to personal pension plans. Contributions are made partly by employees and partly by the company. All schemes are defined contribution schemes and the contributions payable by the company are charged to the Income Statement in that period. Differences between contributions payable in the year and contributions actually due are shown in accruals or prepayments in the Statement of Financial Position.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty
The key sources of estimation uncertainty are as follows:

Long term contract revenue recognition and work in progress
Management have to assess the extent of completion of the long term contract to determine the appropriate level of revenue to recognise in the year, and also assess the recoverability of the remaining balance on work in progress.

Determining residual values and useful economic lives of fixed assets
The company depreciates its tangible fixed assets over their estimated useful lives. The estimation of useful lives of assets is based on historic performance as well as expectations about the future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Provisions
In determining the value of provisions, assumptions and estimations are made in relation to the probability, timing and expected cash out flow based on management's expectation and past experiences.

2. TURNOVER

An analysis of turnover by geographical market is given below:

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
United Kingdom	8,051	10,247
Rest of World	487	1,760
	8,538	12,007

3. STAFF COSTS

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Wages and salaries	2,357	2,124
Social security costs	274	255
Other pension costs	114	93
	2,745	2,472

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

	Year ended 30 Jun 2019	Year ended 30 Jun 2018
Management and administration	6	4
Engineering and technical	30	32
Research and development	1	1
Sales and marketing	7	6
	44	43

4. DIRECTORS' EMOLUMENTS

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Directors' remuneration	248	131
Directors' pension contributions to money purchase schemes	9	3
	257	134

The above emoluments are for the sole British based director and is therefore the highest paid director also. The other directors are remunerated in respect of their services to the group as a whole from other entities in the group. It is not practicable to allocate their individual remuneration between the services they provide to the company and the various other group companies and therefore no information in respect of their individual remuneration is disclosed.

The board consider the directors only as key management.

5. OPERATING LOSS

The operating loss is stated after charging:

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Operating lease rentals – plant and machinery	117	123
Operating lease rentals – land and buildings	199	220
Depreciation - owned assets	192	66
Foreign exchange loss	6	186
Loss on disposal of fixed assets	79	-
Auditor's remuneration – audit of the financial statements	30	30
Design and development	337	255

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Interest income from group companies	138	83

7. TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Current tax:		
UK corporation tax	(8)	-
Adjustment in respect of prior year	16	-
Total current tax	8	-
Deferred tax:		
Origination and reversal of timing differences	(40)	13
Adjustment in respect of previous periods	2	63
Effect of changes in tax rates	4	(1)
Total deferred tax	(34)	75
Tax on loss on ordinary activities	(26)	75

Factors affecting the tax charge
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Loss on ordinary activities before tax	(719)	(66)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (year ended 30 June 2018: 19%)	(137)	(13)
Effects of:		
Expenses not deductible for tax purposes	40	28
Effects of group relief	48	(2)
Adjustments in respect of prior periods	16	-
Adjustments in respect of prior periods - deferred tax	2	63
Other tax adjustment (including tax rate adjustment)	5	(1)
Tax on loss on ordinary activities	(26)	75

Factors that may affect future tax charges
Deferred tax is recognised at 17% in the current year, as it is expected that these will reverse when this is the main rate of Corporation Tax.

8. FIXED ASSETS

Tangible fixed assets

	Freehold property £000	*Leasehold improvements* £000
COST		
At 1 July 2018	1,084	1,950
Additions	458	-
Disposals	(718)	(1,413)
At 30 June 2019	824	537
DEPRECIATION		
At 1 July 2018	897	1,950
Charge for year	114	-
On disposals	(652)	(1,413)
At 30 June 2019	359	537
NET BOOK VALUE		
At 30 June 2019	465	-
At 30 June 2018	187	-

	Machinery & equipment £000	*Fixtures & fittings* £000	*Totals* £000
COST			
At 1 July 2018	836	54	3,924
Additions	177	261	896
Disposals	(354)	(42)	(2,527)
At 30 June 2019	659	273	2,293
DEPRECIATION			
At 1 July 2018	819	54	3,720
Charge for year	51	27	192
On disposal	(342)	(41)	(2,448)
At 30 June 2019	528	40	1,464
NET BOOK VALUE			
At 30 June 2019	131	233	829
At 30 June 2018	17	-	204

9. STOCKS

	30 Jun 2019 £000	30 Jun 2018 £000
Raw materials	45	38
Work-in-progress	271	261
Finished goods	20	38
	336	337

10. DEBTORS

	30 Jun 2019 £000	30 Jun 2018 £000
Amounts falling due within one year:		
Trade debtors	1,228	2,178
Amounts owed by group undertakings	3,153	1,640
Corporation tax recoverable	-	31
Deferred tax (see note 13)	95	61
Amounts recoverable on contracts	335	813
Prepayments and accrued income	188	152
	4,999	4,875
Amounts falling due after more than one year but nor more than five years:		
Trade debtors	70	191
Aggregate amounts	5,069	5,066

Amounts owed by group undertakings are unsecured and non-interest bearing.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 Jun 2019 £000	30 Jun 2018 £000
Trade creditors	245	300
Payments on account	303	164
Amounts owed to group undertakings	1,363	929
Social security and other taxes	521	377
Corporation Tax	8	-
Other creditors	(105)	274
Accruals and deferred income	499	806
	2,834	2,850

Amounts owed to group undertakings are unsecured and non-interest bearing.

12. OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

The following total minimum lease payments under non-cancellable operating lease were as follows:

	Land and buildings		Other operating leases	
	30 Jun 2019 £000	30 Jun 2018 £000	30 Jun 2019 £000	30 Jun 2018 £000
Amounts due:				
Within one year	160	238	77	90
Between one and five years	587	631	32	58
Over five years	321	437	-	-
Total	1,068	1,306	109	148

13. PROVISIONS FOR LIABILITIES

	30 Jun 2019 £000	30 Jun 2018 £000
Deferred tax:		
Accelerated capital allowances	(40)	(27)
Short term timing differences – trading	(34)	(31)
Tax losses	(21)	(3)
Balance at 30 June – included in debtors	(95)	(61)
Other provisions		
Dilapidations provision	195	195
Warranty provision	79	79
Aggregate amount	274	274

	Dilapidation provision £000	*Warranty provision* £000	*Total* £000
Balance at 1 July 2018	195	79	274
Utilised during the year	-	-	-
Balance at 30 June 2019	195	79	274

13. **PROVISIONS FOR LIABILITIES (continued)**

Dilapidation provision

The dilapidation provision relates to the removal of building 528.11 and decontamination of the surrounding areas. We vacated the building on 18th February 2019 and discussions regarding dilapidations are underway. The amount includes a provision for the removal of fissile material. The provision has been discounted to its present value. The unwinding of the discounts is taken as a change in the income statement in each period.

Warranty provision

The provision for warranties relates to expected claims on products sold in the period, it is expected that all of the expenditure will be incurred in the next 12 months.

14. **CAPITAL AND RESERVES**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30 Jun 2019 £	30 Jun 2018 £
100	Ordinary shares	£1	100	100

Ordinary share rights

The company's ordinary shares which carry no right to fixed income, each carry the right to one vote at the general meeting of the company.

Profit and loss reserve

The profit and loss account represents accumulated profits and losses, net of any distribution to owners.

15. **PENSION COMMITMENTS**

The company contributes to individual personal pension plans in accordance with individual contracts of employment. The total pension cost for the year has been disclosed in note 3.

Outstanding contributions at 30 June 2019 were £25,505 (30 June 2018: £24,209).

16. **ULTIMATE PARENT COMPANY**

The immediate parent company is Canberra Industries Inc., a company incorporated in the State of Delaware, United States of America.

The ultimate parent company is Mirion Technologies Topco Limited (registered in Jersey) which is majority owned by Charterhouse Capital Partners LLP who is the ultimate controlling party.

The smallest and largest group preparing consolidated financial statements including the results of the company is Mirion Technologies (Topco), Ltd, a company registered in Jersey. Group financial statements can be obtained from 22 Grenville Street, St Helier, Jersey, JE4 8PX.

17. **CONTINGENT LIABILITIES**

There were no amounts outstanding at the year end in respect of guarantees and indemnities entered into in the ordinary course of business by the company (30 June 2018: £nil).

18. **RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemptions provided by FRS 102 Section 33 and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

19. **RECONCILIATION OF OPERATING LOSS TO CASH GENERATED BY OPERATIONS**

	Year ended 30 Jun 2019 £000	Year ended 30 Jun 2018 £000
Operating loss	(857)	(149)
Depreciation - owned assets	192	66
Loss on disposal of fixed assets	79	-
Taxation	31	-
Decrease in stocks	1	100
Decrease in debtors	-	737
Decrease in creditors and provisions	(24)	(50)
Cash generated by operations	(578)	704

20. **POST BALANCE SHEET EVENTS**

Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' defines an adjusting event as an even that provides evidence of conditions that existed at the end of the reporting period. A non-adjusting event is an event that is indicative of conditions that arose after the end of the reporting period. As at 31 December 2019, there were a limited number of Covid -19 cases that had been reported to the World Health Organisation. There was no explicit evidence of human-to-human transmission at that date. These are the conditions that existed on 31 December 2019.

The subsequent spread of the virus and its identification as a new coronavirus does not provide additional evidence about the situation that existed on 31 December 2019, and it is therefore a non-adjusting event. Non-adjusting events do not result in adjustment to the financial statements, but they do require disclosure if material.

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