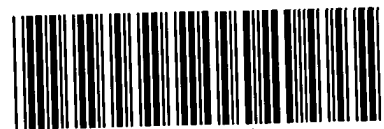


ResMed EPN Ltd

**Strategic Report, Directors' Report and
financial statements
for the year ended 30 June 2020**

Registered number 06863315

TUESDAY



A24 *AA779VW1* #95
22/06/2021
COMPANIES HOUSE

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Strategic Report

Business review

ResMed EPN Ltd completed another successful year, excluding one-time tender wins, with sustained growth in all regions achieved against a background of generally low economic activity. The recent investment in growing and developing the sales team should help to underpin future growth opportunities.

The extent to which the subdued economic environment and government savings on public expenditure could impact future sales continues to be a key uncertainty. Geographic expansion into new markets could help to mitigate the risk of tougher sales conditions in existing markets.

Key performance indicators (year ended 30 June)

	2020	2019	Comments
Growth in sales (%)	13.4%	7.1%	Year on year sales growth, expressed as a percentage.
Gross margin (%)	13.5%	16.9%	Ratio of gross profit to sales, expressed as a percentage.

Principal risks and uncertainties of the business

Industry consolidation

Consolidation within the industry could mean increased competition and bring additional pressure to reduce the selling prices of our products. ResMed has a strategy of product differentiation, diversification into new markets and promotional activities to increase the awareness of Sleep-disordered Breathing (SDB) which allows the Company to maintain prices.

Innovation

The development of innovative new products by our competitors or the discovery of alternative treatments or potential cure for the conditions that our products treat could make our products non-competitive or obsolete. ResMed continues to invest heavily into the research and development of new products and clinical trials for SDB, so that it maintains its position as market leader.

Customer demand

ResMed's ability to sell our products depends to a large part on the extent to which coverage and re-imburement for our products will be available from government health authorities, private insurers and other organisations. These third party payers are increasingly challenging prices and can, without notice deny coverage for treatments that may include the use of our products. ResMed has developed new services and products to market to the third party providers and additional clinical areas. We have worked together with the third party providers to develop efficiency savings, for example, the Air Solutions range of products which provide remote access monitoring of patients and as a result a significant reduction in labour costs for the providers.

COVID-19 Pandemic

In light of the recent global spread of Coronavirus, ResMed's executive leadership team continues to monitor the situation closely and has established plans worldwide to react as the situation develops. To date the plans implemented have prioritised on product placement and setup of respiratory care ventilators and non-vented masks in affected regions, supporting customers and patients, and colleague care to promote hygiene guidance, restrict international travel and self-isolate where necessary. To date there has been no significantly adverse financial impact in relation to business activities conducted in the countries and market sectors within which the company operates. The management team will continue to monitor the situation and act accordingly.

Strategic Report *(continued)*

Principal risks and uncertainties of the business *(continued)*

Brexit

Brexit refers to the United Kingdom (UK) referendum outcome to leave the European Union (EU) – the withdrawal agreement between the UK Government and the EU was signed and came into effect on 31 January 2020. There then followed a transition period until 31 December 2020 while the UK and EU negotiated additional arrangements, during which time the rules on trade, travel, and business for the UK and EU remained unchanged. The UK finally left the European Union with a signed agreement at 11pm on 31 December 2020.

Following Brexit, many common EU regulations to move capital, goods, services and personnel easily across European borders under a common set of regulations will no longer apply to the UK. Therefore, global companies with UK operations, such as ResMed, who want to continue to have access to the EU market, must make changes to their operating model. Principle risks to Company operations are:

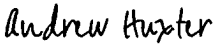
- Products and services moving to or from the UK may be subject to delay, tariffs, taxes and regulations.
- UK tax, regulatory and legislative measures are set to change, potentially impacting UK based operations and investments.
- Employees based in UK and the EU may not be able to travel as freely between the two trading zones.

ResMed has drawn upon expertise from the global logistics, tax, legal, finance and people functions and has instructed a project team to establish and implement robust contingency plans across the business. Our Brexit plans are both long term and short term to ensure business continuity – minimizing the impact on customers and employees across the UK registered legal entities covering the UK and other EU trading markets.

Company specific plans relate mainly to taxation and customs arrangements to ensure business as usual. From a shipping perspective the supply chain movements of the Company continue to be from EU to EU and do not cross borders into the UK. Therefore the Directors are confident that there will be no disruption to physical product flows and the Company will continue to meet customer demand.

Signed on behalf of the Board by

A. Huxter
Director

DocuSigned by:

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Quad 1, First Floor
Becquerel Avenue
Harwell Campus
Didcot
Oxfordshire
OX11 0RA

17 June 2021

Directors' Report

The directors present their Directors' Report and the financial statements for the year ended 30 June 2020.

Principal activities

ResMed EPN Ltd sells and distributes products across Europe for the diagnosis and treatment of obstructive sleep apnoea. The majority of products sold by the Company are manufactured in Australia, Singapore and Malaysia by related parties.

Employees

ResMed's success is built by creative, proactive employees who are committed to quality and continuous improvement. ResMed EPN Ltd is an equal opportunities employer.

Proposed dividend

The directors recommend the payment of a final dividend of €55,875 (2019: €17,719).

Directors

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

D B Pendarvis

A Huxter

Political and charitable contributions

The Company made no political contributions during the year. Donations to charities amounted to €nil (2019: €nil) in total.

Disclosure of information to 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 auditor is 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 auditor is aware of that information.

Auditor

During the year BDO LLP was appointed as auditor of the company and, pursuant to section 487 of the Companies Act 2006, will be deemed to be reappointed and will therefore continue in office.

By order of the board

A. Huxter
Director

DocuSigned by:
Andrew Huxter
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Quad 1, First Floor
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Harwell Campus
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Oxfordshire
OX11 0RA

17 June 2021

Statement of directors' responsibilities in respect of the Strategic Report, Directors' 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), 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 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 ResMed EPN Ltd

Opinion

We have audited the financial statements of ResMed EPN Limited ("the Company") for the year ended 30 June 2020 which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity, and the 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 30 June 2020 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic Report, Directors' Report and financial statements, 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.

Independent auditor's report to the members of ResMed EPN Limited *(continued)*

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 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 and 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 Statement of Directors Responsibilities, 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.

Independent auditor's report to the members of ResMed EPN Limited *(continued)*

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.

DocuSigned by:
Nigel Harker
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Nigel Harker (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK
Date 17 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Profit and loss account & Other comprehensive income

for the year ended 30 June 2020

	<i>Note</i>	2020 €	2019 €
Turnover	2	77,882,022	68,653,608
Cost of sales		(67,352,359)	(57,017,642)
Gross profit		<u>10,529,663</u>	<u>11,635,966</u>
Selling and distribution costs		(6,000,717)	(6,710,565)
Administrative expenses		(1,357,538)	(3,635,967)
Operating profit	3	<u>3,171,408</u>	<u>1,289,434</u>
Other interest receivable and similar income	5	36,974	38,860
Profit before taxation		<u>3,208,382</u>	<u>1,328,294</u>
Tax on profit	6	(1,172,368)	65,894
Profit for the financial year		<u>2,036,014</u>	<u>1,394,188</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>2,036,014</u></u>	<u><u>1,394,188</u></u>

The results shown above are derived entirely from continuing operations.

The notes on pages 11 to 19 form part of the financial statements.

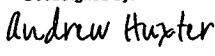
Balance sheet

as at 30 June 2020

	Note	€	2020 €	€	2019 €
Fixed assets					
Tangible assets	7		98,672		191,351
Current assets					
Debtors	8	25,597,525		48,496,066	
Cash at bank and in hand		7,778,995		2,087,222	
			<u>33,376,520</u>		<u>50,583,288</u>
Creditors: amounts falling due within one year	9	(12,366,828)		(31,621,974)	
Net current assets			21,009,692		18,961,314
Total assets less current liabilities			21,108,364		19,152,665
Net assets			21,108,364		19,152,665
Capital and reserves					
Called up share capital	11		22,480		22,480
Profit and loss account			14,585,884		12,630,185
Capital contribution reserve	12		6,500,000		6,500,000
Shareholder's funds			21,108,364		19,152,665

The notes on pages 11 to 19 form part of the financial statements.

These financial statements were approved by the board of directors on 17 June 2021 and were signed on its behalf by:

DocuSigned by:

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A. Huxter
Director

Registered number 06863315

Statement of changes in equity
for the year ended 30 June 2020

	Called-up share capital	Capital contribution reserve	Profit and loss account	Total equity
	€	€	€	€
Balance as at 1 July 2018	22,480	6,500,000	11,217,466	17,739,946
Profit for the year	-	-	1,394,188	1,394,188
Net equity settled share options credit	-	-	36,250	36,250
Dividend paid	-	-	(17,719)	(17,719)
Balance as at 30 June 2019	22,480	6,500,000	12,630,185	19,152,665
Profit for the year	-	-	2,036,014	2,036,014
Net equity settled share options charge	-	-	(24,440)	(24,440)
Dividend paid	-	-	(55,875)	(55,875)
Balance as at 30 June 2020	22,480	6,500,000	14,585,884	21,108,364

The notes from page 11 to page 19 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

ResMed EPN Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

These financial statements are prepared on the historical cost basis and in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*"). The presentation currency of these financial statements is euros.

The Company's ultimate parent undertaking, ResMed Inc., includes the Company in its consolidated financial statements. The consolidated financial statements of ResMed Inc. are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the ultimate parent Company at 9001 Spectrum Center Blvd, San Diego, CA 92123, USA. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of ResMed Inc. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of certain disclosures required by FRS 102.26 *Share Based Payments*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes (continued)

1 Accounting policies (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic Report. The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

On the basis of their assessment of the Company's financial position, the directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis.

Turnover

Turnover represents the invoiced value of goods and services supplied, excluding value added tax; trade discounts and rebates. Revenue is recognised when the principal risks and rewards of ownership are passed to a third party.

Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over their expected useful economic lives as follows:

Office equipment	- 2-5 years
Plant and machinery	- 2 years
Leasehold improvements	- 10 years
Fixtures and fittings	- 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Provision is made where necessary for obsolete, slow moving and defective stocks.

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Notes *(continued)***1 Accounting policies** *(continued)***Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Functional and presentation currency

The financial statements are presented in euros as this is the primary economic environment of the Company's operations, which is consistent with the functional currency of the Company.

Transactions denominated in other currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Share based payments

ResMed Inc. has granted restricted stock units to personnel, including officers and directors of the Company, in accordance with the amended and restated ResMed Inc. 2009 Incentive Award Plan (as amended and restated the "2009 Plan"). The restricted stock units vest over one to four years.

The terms and conditions of grants are as follows, whereby all restricted stock units are settled by physical delivery of shares. In certain circumstances, shares are withheld on the vesting of restricted stock units to provide funds to settle employee income tax and social security withholdings under the PAYE system or the relevant overseas equivalent.

The fair value of share based payments is recognised as an employee expense with a corresponding increase in equity. The fair value of the restricted stock units is measured at the market price of ResMed Inc.'s shares on the date of grant less present value of dividends that will not be received prior to vesting, and is spread over the period during which the employees become unconditionally entitled to the share based payments.

Employees of the Company are eligible to participate in the ResMed Inc. Employee Share Purchase Plan ('ESPP'). Under the ESPP, participants are offered the right to purchase shares of ResMed Inc.'s common stock at a discount during successive offering periods. Each offering period under the ESPP will be for a period of time determined by the board of directors' compensation committee of no less than 3 months and no more than 27 months. The purchase price for ResMed Inc.'s common stock under the ESPP will be the lower of 85% of the fair market value of our common stock on the date of grant or 85% of the fair market value of our common stock on the date of purchase. An individual participant cannot subscribe for more than \$25,000 in common stock during any calendar year.

Notes (continued)

1 Accounting policies (continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post retirement benefit

The Company participates in a defined contribution pension scheme operated by the group. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable, finance charges, and net foreign exchange losses that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue. Foreign currency gains and losses are reported on a net basis.

2 Turnover

All turnover arose from the provision of services in the Company's principal activities and is analysed by geographical market as follows:

	2020 €	2019 €
Turnover		
United Kingdom and Eire	-	-
Rest of Europe	77,882,022	68,653,608
	<u>77,882,022</u>	<u>68,653,608</u>

3 Operating profit

The operating profit is stated after charging:

	2020 €	2019 €
Depreciation of tangible fixed assets		
- owned	180,161	199,710
Auditor's remuneration		
- audit of the financial statements	28,223	30,841
Operating lease costs – motor vehicles	294,540	297,463
Operating lease costs – office premises	176,254	216,415
Exchange losses/(gains)	122,311	(36,042)
	<u>122,311</u>	<u>(36,042)</u>

Notes (continued)

4 Staff numbers and costs

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

	Number of employees	
	2020	2019
Management	5	5
Sales	26	25
	<hr/>	<hr/>
	31	30
	<hr/> <hr/>	<hr/> <hr/>

	2020	2019
	€	€
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	3,724,280	3,604,220
Social security costs	707,655	702,014
Share based payments	79,407	84,657
	<hr/>	<hr/>
	4,511,342	4,390,891
	<hr/> <hr/>	<hr/> <hr/>

The director's emoluments for the year amounted to €nil (2019: €nil) in total. The Directors emoluments are borne by other companies within group companies and due to their allocation of remuneration being incidental to the company no remuneration has been disclosed.

5 Other interest receivable and similar income

	2020	2019
	€	€
Other interest	36,974	38,860
	<hr/>	<hr/>

Notes (continued)**6 Taxation****a) Analysis of charge/(credit) in the year**

	2020	2019
	€	€
<i>Current tax:</i>		
UK Corporation tax on the profit for the year	145,144	71,131
Foreign tax	604,558	452,756
Adjustments in respect of prior years	435,060	(477,384)
	<hr/>	<hr/>
Total current tax charge	1,184,762	46,503
<i>Deferred tax:</i>		
Origination and reversal of timing differences in the year	10,541	(119,154)
Effect of tax rate changes	(22,935)	6,757
	<hr/>	<hr/>
Total deferred tax credit	(12,394)	(112,397)
	<hr/>	<hr/>
Tax charge/(credit) on profit	1,172,368	(65,894)
	<hr/> <hr/>	<hr/> <hr/>

b) Factors affecting tax charge/(credit) for the year

The current tax charge (2019: credit) for the year is higher (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	€	€
Profit before tax	3,208,382	1,328,294
	<hr/>	<hr/>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	609,593	252,376
<i>Effects of:</i>		
Differences in tax rates applicable to profits earned overseas	149,204	144,904
Expenses not deductible for tax purposes	1,446	7,453
Effect of tax rate changes	(22,935)	6,757
Adjustments to tax charge in respect of previous periods	435,060	(477,384)
	<hr/>	<hr/>
Total tax charge/(credit) for the year	1,172,368	(65,894)
	<hr/> <hr/>	<hr/> <hr/>

c) Factors that may affect future tax charges

Reductions in the corporate tax rate from 19% to 17% (effective from 1 April 2020) were substantively enacted on 6 September 2016, and the UK deferred tax asset as at 30 June 2019 has been calculated based on this rate. The March 2020 budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantially enacted on 17 March 2020. This will increase the Company's future current tax charge accordingly.

Notes (continued)**6 Taxation (continued)****d) Deferred tax**

The amount disclosed in debtors for deferred tax is as follows:

	2020 €	2019 €
Fixed asset timing differences	69,597	65,291
Share based payments	136,758	129,656
Provisions	986	-
	<u>207,341</u>	<u>194,947</u>
Deferred tax asset	<u>207,341</u>	<u>194,947</u>

7 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Office equipment	Plant and machinery	Total
	€	€	€	€	€
Cost					
At 1 July 2019	8,737	17,210	13,722	686,329	725,998
Additions	-	-	-	95,420	95,420
Disposals	-	-	-	(15,394)	(15,394)
At 30 June 2020	<u>8,737</u>	<u>17,210</u>	<u>13,722</u>	<u>766,355</u>	<u>806,024</u>
Depreciation					
At 1 July 2019	8,737	17,210	12,969	495,731	534,647
Charge for year	-	-	753	179,408	180,161
Disposals	-	-	-	(7,456)	(7,456)
At 30 June 2020	<u>8,737</u>	<u>17,210</u>	<u>13,722</u>	<u>667,683</u>	<u>707,352</u>
Net book value					
At 30 June 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,672</u>	<u>98,672</u>
At 30 June 2019	<u>-</u>	<u>-</u>	<u>753</u>	<u>190,598</u>	<u>191,351</u>

8 Debtors

	2020 €	2019 €
Trade debtors	16,622,008	21,110,100
Amounts due from group undertakings	8,625,314	27,100,577
Deferred tax asset (see note 6)	207,341	194,947
Prepayments and accrued income	142,862	90,442
	<u>25,597,525</u>	<u>48,496,066</u>

Notes (continued)**9 Creditors: amounts falling due within one year**

	2020 €	2019 €
Trade creditors	106,220	44,544
Amounts owed to group undertakings	8,338,309	27,551,585
Other taxes and social security	959,379	1,635,615
Accruals and deferred income	2,331,962	2,072,906
Corporation tax	630,958	317,324
	<u>12,366,828</u>	<u>31,621,974</u>

10 Commitments

Total commitments under non-cancellable operating leases are as follows:

	2020		2019	
	Land and buildings €	Other €	Land and buildings €	Other €
Minimum lease payments due:				
Within one year	51,429	202,126	29,137	159,984
In the second to fifth years inclusive	120,992	306,665	-	197,154
Over five years	6,298	-	-	-
	<u>178,719</u>	<u>508,791</u>	<u>29,137</u>	<u>357,138</u>

11 Called up share capital

	2020 €	2019 €
<i>Allotted, called up and fully paid</i> 20,000 Ordinary shares of £1 each	<u>22,480</u>	<u>22,480</u>

12 Reserves

The capital contribution reserve represents an amount of €6,500,000 received from ResMed (UK) Limited, its immediate parent company. The funds are not repayable and bear no interest.

Notes *(continued)*

13 Related party disclosures

As the Company is a wholly owned subsidiary of ResMed Inc., the Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12(e) and has therefore not disclosed transactions or balances with entities that form part of the group.

The consolidated financial statements of ResMed Inc., within which this company is included, can be obtained from the address below.

14 Ultimate parent company and parent undertaking of larger group of which the Company is a member

ResMed (UK) Limited, a company incorporated in the United Kingdom, is the immediate parent company and ResMed Inc., a company incorporated in the United States, is the ultimate parent company. Consolidated financial statements may be obtained from the ultimate parent company at 9001 Spectrum Center Blvd, San Diego, CA 92123, USA.