

Registration number: 01032313

# WIKI Instruments Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Rödl & Partner Limited  
170 Edmund Street  
Birmingham  
B3 2HB



## **WIKA Instruments Limited**

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## **WIKA Instruments Limited**

### **Company Information**

**Directors** Mr A K Wiegand  
Mr J N J Peurt

**Company secretary** Mr J N J Peurt

**Registered office** 4 Gatton Park Business Centre  
Wells Place  
Merstham  
Redhill  
Surrey  
RH1 3LG

**Auditors** Rödl & Partner Limited  
170 Edmund Street  
Birmingham  
B3 2HB

## **WIKA Instruments Limited**

### **Strategic Report for the Year Ended 31 December 2018**

The directors present their strategic report for the year ended 31 December 2018.

#### **Principal activity**

The principal activity of the Company is to manage and develop WIKA's pressure, temperature, level and flow instrument business in the UK and Ireland. The company also manufactures the globally recognised DH Budenberg brand of pressure calibration instruments, the ASL brand of temperature calibration instruments and the TC Fluid Control brand of level instruments.

#### **Fair review of the business**

Demand from all divisions and markets, including oil & gas, remained strong during the whole of 2018 and we finished the year strong on the input side to strengthen the order book moving into 2019.

We continued to deliver major oil & gas projects in 2018 and this will continue into 2019, with the outlook for the project arena looking positive. Our Industrial Instruments business supplies manufacturers within the UK and Ireland and these customers are continuing to experience high demand for their products, particularly within the medical equipment market.

The change in Managing Director during the year following the retirement of David Phillips was seamless and the company is in a great position to take on the challenges of 2019.

The fears over Brexit continued to fuel uncertainty but the business has robust plans in place to deal with the worst-case scenario outcomes.

Overall, our sales increased on 2017 and exceeded budgeted levels. Gross margin exceeded expectations and budget due to a focus on pricing and a better than expected product mix, and despite the fears over Brexit, the currency position remained relatively stable leading to a more stable cost base, which is also being constantly reviewed. Overheads were controlled and the percentage profit before tax exceeded last year and budgeted levels.

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

|   | <b>Unit</b> | <b>2018</b> | <b>2017</b> |
|---|-------------|-------------|-------------|
| Turnover                                      | £           | 36,756,051  | 31,489,244  |
| Gross profit margin                           | %           | 34          | 34          |
| Profit before tax                             | £           | 3,442,173   | 2,176,196   |
| Profit before tax as a percentage of turnover | %           | 9           | 7           |

## **WIKA Instruments Limited**

### **Strategic Report for the Year Ended 31 December 2018**

#### **Customers**

There was no formal customer survey in 2018, although we are constantly receiving their input. This was because we are preparing for a new and more comprehensive survey in 2019. We continue to place customer satisfaction in the centre of everything we do and remain convinced that our success is directly linked to this fundamental..

#### **Employees**

Our staff remain our most important asset and we also survey them annually. As in previous years, actions are published internally as a direct result of our employee's input. We also have a defined annual employee review process which leads to a training matrix and individual objectives.

Approved by the Board on 22/2/2019 and signed on its behalf by:

  
.....  
Mr J N J P van der Pijl  
Director

## **WIKA Instruments Limited**

### **Directors' Report for the Year Ended 31 December 2018**

The directors present their report and the financial statements for the year ended 31 December 2018.

#### **Directors of the company**

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

Mr D H Phillips (resigned 27 April 2018)

Mr A K Wiegand

Mr J N J Peaurt (appointed 26 March 2018)

#### **Financial instruments**

##### ***Objectives and policies***

The Company's cash position remains strong and there is no need for the Company to seek external credit facilities to fulfil its investment plans for the future.

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

The business would be somewhat exposed to large fluctuations in exchange rates, particularly Sterling vs Euro and US dollar, but this is managed to a great extent by our business conducting over 50% of its sales in these currencies.

Intercompany transfer pricing is calculated 'at arm's length' and is fixed for the year.

The business has some exposure to bad debt risk but the company's historic performance and management of this risk has been more than satisfactory. Credit is tightly controlled and the potential credit risk of our customers is constantly monitored.

Liquidity is managed by not needing to service debt and conducting business at margins which generate cash.

Cash flow risk is managed through tight control of managing the business against a realistic budget. Cash flow forecasts are prepared and constantly monitored.

#### **Future developments**

The company has initiated its no-deal Brexit preparations and is fully prepared for the worst outcome. We are in constant dialog with customers and our partners in Europe. The currency fluctuations remain relatively stable but the fears of a no-deal exit remain real.

Our Order Book at the end of 2018 remained at record levels and was again significantly higher than the value at the end of 2017, and we expect 2019 to be a strong year in terms of sales, gross margin and profit before tax performance considering past trends and our budget.

## **WIKA Instruments Limited**

### **Directors' Report for the Year Ended 31 December 2018**

#### **Disclosure of information to the auditors**

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

Approved by the Board on 22/2/2019 and signed on its behalf by:

Mr N J Peart  
Director

## **WIKA Instruments Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **WIKI Instruments Limited**

### **Independent Auditor's Report to the Members of WIKI Instruments Limited**

#### **Opinion**

We have audited the financial statements of WIKI Instruments Limited (the 'company') for the year ended 31 December 2018, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

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

## **WIKA Instruments Limited**

### **Independent Auditor's Report to the Members of WIKA Instruments Limited**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], 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.

## **WIKI Instruments Limited**

### **Independent Auditor's Report to the Members of WIKI Instruments Limited**

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Imran Farooq (Senior Statutory Auditor)  
For and on behalf of Rödl & Partner Limited, Statutory Auditor

170 Edmund Street  
Birmingham  
B3 2HB

Date: 22 February 2019

**WIKA Instruments Limited**

**Profit and Loss Account for the Year Ended 31 December 2018**

|  | Note | 2018<br>£               | 2017<br>£               |
|--|------|-------------------------|-------------------------|
| Turnover                                     | 3    | 36,756,051              | 31,489,244              |
| Cost of sales                                |      | <u>(24,282,756)</u>     | <u>(20,778,300)</u>     |
| Gross profit                                 |      | 12,473,295              | 10,710,944              |
| Administrative expenses                      |      | <u>(9,031,123)</u>      | <u>(8,527,969)</u>      |
| Operating profit                             | 4    | <u>3,442,172</u>        | <u>2,182,975</u>        |
| Other interest receivable and similar income | 5    | 7,001                   | 2,221                   |
| Interest payable and similar charges         | 6    | <u>(7,000)</u>          | <u>(9,000)</u>          |
|  |      | <u>1</u>                | <u>(6,779)</u>          |
| Profit before tax                            |      | 3,442,173               | 2,176,196               |
| Taxation                                     | 10   | <u>(709,375)</u>        | <u>(522,877)</u>        |
| Profit for the financial year                |      | <u><u>2,732,798</u></u> | <u><u>1,653,319</u></u> |

The above results were derived from continuing operations.

The notes on pages 14 to 29 form an integral part of these financial statements.

**WIKA Instruments Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2018**

|  | <b>2018</b>             | <b>2017</b>             |
|--|-------------------------|-------------------------|
|  | <b>£</b>                | <b>£</b>                |
| Profit for the year  | <u>2,732,798</u>        | <u>1,653,319</u>        |
| Remeasurement gain/loss on defined benefit pension schemes                 | (139,000)               | (143,000)               |
| Deferred tax on remeasurement gain/loss on defined benefit pension schemes | <u>41,980</u>           | <u>34,000</u>           |
|  | <u>(97,020)</u>         | <u>(109,000)</u>        |
| Total comprehensive income for the year                                    | <u><u>2,635,778</u></u> | <u><u>1,544,319</u></u> |

The notes on pages 14 to 29 form an integral part of these financial statements.

**WIKA Instruments Limited**

**(Registration number: 01032313)  
Balance Sheet as at 31 December 2018**

|   | Note | 2018<br>£          | 2017<br>£          |
|---|------|--------------------|--------------------|
| <b>Fixed assets</b>                                   |      |                    |                    |
| Intangible assets                                     | 11   | 776,465            | 908,114            |
| Tangible assets                                       | 12   | 866,081            | 1,021,361          |
| Investments   | 13   | 13                 | 13                 |
|   |      | <u>1,642,559</u>   | <u>1,929,488</u>   |
| <b>Current assets</b>                                 |      |                    |                    |
| Stocks  | 14   | 2,049,948          | 1,468,515          |
| Debtors   | 15   | 9,838,140          | 9,156,626          |
| Cash at bank and in hand                              | 16   | 2,863,825          | 2,040,187          |
|   |      | 14,751,913         | 12,665,328         |
| <b>Creditors: Amounts falling due within one year</b> | 17   | <u>(5,334,680)</u> | <u>(4,062,681)</u> |
| Net current assets                                    |      | <u>9,417,233</u>   | <u>8,602,647</u>   |
| Total assets less current liabilities                 |      | 11,059,792         | 10,532,135         |
| Provisions for liabilities                            | 18   | <u>(99,576)</u>    | <u>(101,305)</u>   |
| Net assets excluding pension asset/(liability)        |      | 10,960,216         | 10,430,830         |
| Net pension liability                                 | 19   | <u>(231,570)</u>   | <u>(312,910)</u>   |
| <b>Net assets</b>                                     |      | <u>10,728,646</u>  | <u>10,117,920</u>  |
| <b>Capital and reserves</b>                           |      |                    |                    |
| Called up share capital                               | 20   | 100,000            | 100,000            |
| Profit and loss account                               |      | <u>10,628,646</u>  | <u>10,017,920</u>  |
| Total equity  |      | <u>10,728,646</u>  | <u>10,117,920</u>  |

Approved and authorised by the Board on 22/2/2019 and signed on its behalf by:

Mr J N J Pegurt

Director

The notes on pages 14 to 29 form an integral part of these financial statements.

# **WIKA Instruments Limited**

## **Statement of Changes in Equity for the Year Ended 31 December 2018**

|                            | <b>Share capital</b> | <b>Profit and loss</b> | <b>Total</b> |
|----------------------------|----------------------|------------------------|--------------|
|                            | <b>£</b>             | <b>account</b>         | <b>£</b>     |
|                            | <b>£</b>             | <b>£</b>               | <b>£</b>     |
| At 1 January 2018          | 100,000              | 10,017,920             | 10,117,920   |
| Profit for the year        | -                    | 2,732,798              | 2,732,798    |
| Other comprehensive income | -                    | (97,020)               | (97,020)     |
| Total comprehensive income | -                    | 2,635,778              | 2,635,778    |
| Dividends                  | -                    | (2,025,052)            | (2,025,052)  |
| At 31 December 2018        | 100,000              | 10,628,646             | 10,728,646   |

|                            | <b>Share capital</b> | <b>Profit and loss</b> | <b>Total</b> |
|----------------------------|----------------------|------------------------|--------------|
|                            | <b>£</b>             | <b>account</b>         | <b>£</b>     |
|                            | <b>£</b>             | <b>£</b>               | <b>£</b>     |
| At 1 January 2017          | 100,000              | 10,473,601             | 10,573,601   |
| Profit for the year        | -                    | 1,653,319              | 1,653,319    |
| Other comprehensive income | -                    | (109,000)              | (109,000)    |
| Total comprehensive income | -                    | 1,544,319              | 1,544,319    |
| Dividends                  | -                    | (2,000,000)            | (2,000,000)  |
| At 31 December 2017        | 100,000              | 10,017,920             | 10,117,920   |

The notes on pages 14 to 29 form an integral part of these financial statements.

## **WIKA Instruments Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **1 General information**

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

The address of its registered office is:

4 Gatton Park Business Centre  
Wells Place  
Merstham  
Redhill  
Surrey  
RH1 3LG

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

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

##### **Basis of preparation**

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

The presentation currency of these financial statements is Sterling. All amounts have been rounded to the nearest £1.

##### **Summary of disclosure exemptions**

The Company is a wholly owned subsidiary of WIKA Alexander Wiegand SE & Co.KG, which prepares consolidated accounts. These consolidated accounts are included in the consolidated accounts of the ultimate controlling party, WIKA Alexander Wiegand SE & Co.KG (incorporated in Germany). The Company is therefore considered to be a qualifying entity under FRS 102 and has applied the following available exemptions:

- Cash Flow statement and related notes; and
- Related Party Disclosures with members of the group.

##### **Name of parent of group**

These financial statements are consolidated in the financial statements of WIKA Alexander Wiegand SE & Co. KG.

The financial statements of WIKA Alexander Wiegand SE & Co. KG. may be obtained from handelsregister.de.



## **WIKA Instruments Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **Going concern**

The financial statements are prepared on a going concern basis. The directors have considered the working capital requirements for a period of 12 months from the date of this report. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Judgements**

The company has a formal policy for making provisions for stock and debtors to ensure they are stated at the lower of cost and net realisable value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Foreign currency transactions and balances**

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

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

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

## **WIKA Instruments Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **Tangible assets**

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

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

#### **Depreciation**

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

| <b>Asset class</b>           | <b>Depreciation method and rate</b>        |
|------------------------------|--|
| Leasehold land and buildings | Straight line over the period of the lease |
| Plant and machinery          | 25% straight line on cost                  |
| Fixtures and fittings        | 25% straight line on cost                  |
| Motor vehicles               | 25% straight line on cost                  |
| Office equipment             | 25% straight line on cost                  |

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Goodwill**

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### **Amortisation**

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

| <b>Asset class</b> | <b>Amortisation method and rate</b> |
|--------------------|-------------------------------------|
| Goodwill           | 10 years straight line              |

#### **Investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **WIKA Instruments Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using average costing (AVCO).

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

#### **Research and development**

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

#### **Leases**

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

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is not recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## WIKI Instruments Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### Defined contribution pension obligation

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

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

#### Defined benefit pension obligation

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

#### Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

### 3 Revenue

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

|               | 2018              | 2017              |
|---------------|-------------------|-------------------|
|               | £                 | £                 |
| Sale of goods | <u>36,756,051</u> | <u>31,489,244</u> |

### 4 Operating profit

Arrived at after charging/(crediting)

|   | 2018          | 2017          |
|---|---------------|---------------|
|   | £             | £             |
| Depreciation expense                                | 336,458       | 344,181       |
| Amortisation expense                                | 207,078       | 193,209       |
| Operating lease expense - property                  | 400,793       | 371,052       |
| Operating lease expense - plant and machinery       | 365,786       | 360,257       |
| Profit on disposal of property, plant and equipment | (154)         | (2,419)       |
| Foreign exchange (gains) / losses                   | <u>72,193</u> | <u>12,472</u> |

# **WIKA Instruments Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **5 Other interest receivable and similar income**

|                                  | <b>2018</b>  | <b>2017</b>  |
|----------------------------------|--------------|--------------|
|                                  | <b>£</b>     | <b>£</b>     |
| Interest income on bank deposits | <u>7,001</u> | <u>2,221</u> |

### **6 Interest payable and similar expenses**

|                                     | <b>2018</b>  | <b>2017</b>  |
|-------------------------------------|--------------|--------------|
|                                     | <b>£</b>     | <b>£</b>     |
| Pension scheme finance income/costs | <u>7,000</u> | <u>9,000</u> |

### **7 Staff costs**

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

|                       | <b>2018</b>      | <b>2017</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Wages and salaries    | 4,761,407        | 4,377,126        |
| Social security costs | 700,300          | 643,417          |
| Pension costs         | <u>714,470</u>   | <u>649,817</u>   |
|                       | <u>6,176,177</u> | <u>5,670,360</u> |

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

|                                   | <b>2018</b> | <b>2017</b> |
|-----------------------------------|-------------|-------------|
|                                   | <b>No.</b>  | <b>No.</b>  |
| Production                        | 26          | 26          |
| Administration and support        | 23          | 21          |
| Sales, marketing and distribution | <u>58</u>   | <u>59</u>   |
|                                   | <u>107</u>  | <u>106</u>  |

## WIKI Instruments Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 8 Directors' remuneration

The Directors' remuneration for the year was as follows:

|   | 2018<br>£      | 2017<br>£      |
|---|----------------|----------------|
| Remuneration (including benefits in kind) | <u>375,218</u> | <u>299,847</u> |

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

|   | 2018<br>No. | 2017<br>No. |
|---|-------------|-------------|
| Accruing benefits under money purchase pension scheme | <u>2</u>    | <u>1</u>    |

In respect of the highest paid Director:

|              | 2018<br>£      | 2017<br>£      |
|--------------|----------------|----------------|
| Remuneration | <u>224,598</u> | <u>254,138</u> |

#### 9 Auditors' remuneration

|                                   | 2018<br>£     | 2017<br>£     |
|-----------------------------------|---------------|---------------|
| Audit of the financial statements | 32,754        | 31,800        |
| <b>Other fees to auditors</b>     |               |               |
| Taxation compliance services      | <u>1,100</u>  | <u>1,100</u>  |
|                                   | <u>33,854</u> | <u>32,900</u> |

#### 10 Taxation

Tax charged/(credited) in the income statement

|   | 2018<br>£       | 2017<br>£      |
|---|-----------------|----------------|
| <b>Current taxation</b>                                     |                 |                |
| UK corporation tax  | 669,172         | 407,447        |
| UK corporation tax adjustment to prior periods              | <u>(16,718)</u> | <u>49,905</u>  |
|   | 652,454         | 457,352        |
| <b>Deferred taxation</b>                                    |                 |                |
| Arising from origination and reversal of timing differences | 45,194          | 65,525         |
| Arising from changes in tax rates and laws                  | <u>11,727</u>   | <u>-</u>       |
| Tax expense in the income statement                         | <u>709,375</u>  | <u>522,877</u> |

# **WIKA Instruments Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 19.25%).

The differences are reconciled below:

|   | 2018<br>£             | 2017<br>£             |
|---|-----------------------|-----------------------|
| Profit before tax   | <u>3,442,173</u>      | <u>2,176,196</u>      |
| Corporation tax at standard rate  | 654,013               | 418,918               |
| Amounts credited /(charged) directly to OCI or otherwise transferred                    | (26,410)              | (27,523)              |
| Adjust closing deferred tax to average rate of 19.25%                                   | (11,715)              | (13,388)              |
| Expenses not deductible for tax purposes  | 5,741                 | 3,552                 |
| Adjust opening deferred tax to average rate of 19.25%                                   | 11,727                | (11,922)              |
| Adjustments to tax charge in respect of previous periods - current tax                  | (16,718)              | 147,782               |
| Adjustments to tax charge in respect of previous periods - deferred tax                 | 13,298                | 967                   |
| Fixed asset differences   | 20,789                | 51,781                |
| Other tax effects for reconciliation between accounting profit and tax expense (income) | <u>58,650</u>         | <u>(47,290)</u>       |
| Total tax charge  | <u><u>709,375</u></u> | <u><u>522,877</u></u> |

### **Deferred tax**

Deferred tax assets and liabilities

#### **2018**

|                                     | Liability<br>£       |
|-------------------------------------|----------------------|
| Accelerated capital allowances      | 161,262              |
| Other short term timing differences | <u>(61,686)</u>      |
|                                     | <u><u>99,576</u></u> |

#### **2017**

|                                     | Liability<br>£        |
|-------------------------------------|-----------------------|
| Accelerated capital allowances      | 86,440                |
| Other short term timing differences | <u>14,865</u>         |
|                                     | <u><u>101,305</u></u> |

### **Tax relating to items recognised in other comprehensive income or equity**

|   | 2018<br>£       | 2017<br>£       |
|---|-----------------|-----------------|
| Deferred tax related to items recognised as items of other comprehensive income | <u>(41,990)</u> | <u>(34,000)</u> |

# **WIKA Instruments Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **11 Intangible assets**

|                                      | <b>Goodwill</b>  | <b>Customer</b> | <b>Development</b> | <b>Software</b> | <b>Total</b>     |
|--------------------------------------|------------------|-----------------|--------------------|-----------------|------------------|
|                                      | <b>£</b>         | <b>Base</b>     | <b>costs</b>       | <b>£</b>        | <b>£</b>         |
|                                      |                  | <b>£</b>        | <b>£</b>           |                 |                  |
| <b>Cost</b>                          |                  |                 |                    |                 |                  |
| At 1 January 2018                    | 1,936,220        | -               | 84,300             | -               | 2,020,520        |
| Additions acquired separately        | -                | 75,429          | -                  | -               | 75,429           |
| Disposals                            | -                | -               | -                  | (4,926)         | (4,926)          |
| Transfers                            | -                | -               | -                  | 237,018         | 237,018          |
| At 31 December 2018                  | <u>1,936,220</u> | <u>75,429</u>   | <u>84,300</u>      | <u>232,092</u>  | <u>2,328,041</u> |
| <b>Amortisation</b>                  |                  |                 |                    |                 |                  |
| At 1 January 2018                    | 1,028,106        | -               | 84,300             | -               | 1,112,406        |
| Amortisation charge                  | 193,209          | 13,869          | -                  | -               | 207,078          |
| Amortisation eliminated on disposals | -                | -               | -                  | (4,926)         | (4,926)          |
| Reclassification                     | -                | -               | -                  | 237,018         | 237,018          |
| At 31 December 2018                  | <u>1,221,315</u> | <u>13,869</u>   | <u>84,300</u>      | <u>232,092</u>  | <u>1,551,576</u> |
| <b>Carrying amount</b>               |                  |                 |                    |                 |                  |
| At 31 December 2018                  | <u>714,905</u>   | <u>61,560</u>   | <u>-</u>           | <u>-</u>        | <u>776,465</u>   |
| At 31 December 2017                  | <u>908,114</u>   | <u>-</u>        | <u>-</u>           | <u>-</u>        | <u>908,114</u>   |



# **WIKA Instruments Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **12 Tangible assets**

|                        | <b>Leasehold<br/>land and<br/>buildings<br/>£</b> | <b>Fixtures<br/>and<br/>fittings<br/>£</b> | <b>Motor<br/>vehicles<br/>£</b> | <b>Office<br/>equipment<br/>£</b> | <b>Plant and<br/>machinery<br/>£</b> | <b>Total<br/>£</b> |
|------------------------|---|--|---------------------------------|-----------------------------------|--------------------------------------|--------------------|
| <b>Cost</b>            |   |  |                                 |                                   |                                      |                    |
| At 1 January 2018      | 1,199,046   | 353,888                                    | 64,857                          | 582,082                           | 1,225,390                            | 3,425,263          |
| Additions              | 25,896  | 58,292                                     | 74,975                          | 15,771                            | 47,809                               | 222,743            |
| Disposals              | -   | (73,827)                                   | (92,380)                        | (33,767)                          | (2,560)                              | (202,534)          |
| Transfers              | -   | -  | -                               | (237,018)                         | -                                    | (237,018)          |
| At 31 December 2018    | <u>1,224,942</u>                                  | <u>338,353</u>                             | <u>47,452</u>                   | <u>327,068</u>                    | <u>1,270,639</u>                     | <u>3,208,454</u>   |
| <b>Depreciation</b>    |   |  |                                 |                                   |                                      |                    |
| At 1 January 2018      | 767,919   | 283,501                                    | 64,857                          | 578,935                           | 708,690                              | 2,403,902          |
| Charge for the year    | 109,416   | 24,513                                     | 47,513                          | 10,735                            | 144,281                              | 336,458            |
| Eliminated on disposal | -   | (12,874)                                   | (92,380)                        | (53,155)                          | (2,560)                              | (160,969)          |
| Reclassification       | -   | -  | -                               | (237,018)                         | -                                    | (237,018)          |
| At 31 December 2018    | <u>877,335</u>                                    | <u>295,140</u>                             | <u>19,990</u>                   | <u>299,497</u>                    | <u>850,411</u>                       | <u>2,342,373</u>   |
| <b>Carrying amount</b> |   |  |                                 |                                   |                                      |                    |
| At 31 December 2018    | <u>347,607</u>                                    | <u>43,213</u>                              | <u>27,462</u>                   | <u>27,571</u>                     | <u>420,228</u>                       | <u>866,081</u>     |
| At 31 December 2017    | <u>431,127</u>                                    | <u>70,387</u>                              | <u>-</u>                        | <u>3,147</u>                      | <u>516,700</u>                       | <u>1,021,361</u>   |

## WIKA Instruments Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 13 Investments held as fixed assets

|                             | 2018<br>£ | 2017<br>£ |
|-----------------------------|-----------|-----------|
| Investments in subsidiaries | <u>13</u> | <u>13</u> |
| <b>Subsidiaries</b>         |           | <b>£</b>  |
| <b>Cost</b>                 |           |           |
| At 1 January 2018           |           | <u>13</u> |
| At 31 December 2018         |           | <u>13</u> |
| <b>Carrying amount</b>      |           |           |
| At 31 December 2018         |           | <u>13</u> |
| At 31 December 2017         |           | <u>13</u> |

#### Details of undertakings

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

| Undertaking                            | Registered office | Holding  | Proportion of voting rights and shares held |      |
|--|-------------------|----------|---|------|
|  |                   |          | 2018  | 2017 |
| Subsidiary undertakings                |                   |          |   |      |
| DH-Budenberg Limited                   | England           | Ordinary | 100%  | 100% |
| TC Fluid Control Limited               | England           | Ordinary | 100%  | 100% |
| Automatic Systems Laboratories Limited | England           | Ordinary | 100%  | 100% |
| Calibration Dynamics Limited           | England           | Ordinary | 100%  | 100% |

#### 14 Stocks

|                                     | 2018<br>£        | 2017<br>£        |
|-------------------------------------|------------------|------------------|
| Work in progress                    | 32,333           | 47,530           |
| Finished goods and goods for resale | <u>2,017,615</u> | <u>1,420,985</u> |
|                                     | <u>2,049,948</u> | <u>1,468,515</u> |

The cost of stocks recognised as an expense in the year amounted to £24,025,151 (2017 - £20,449,637).

# **WIKA Instruments Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **15 Debtors**

|                                 | 2018             | 2017             |
|---------------------------------|------------------|------------------|
|                                 | £                | £                |
| Trade debtors:                  | 6,867,103        | 6,781,555        |
| Amounts owed by related parties | 2,769,109        | 2,185,888        |
| Other debtors                   | -                | 8,201            |
| Prepayments                     | 201,928          | 180,982          |
|                                 | <u>9,838,140</u> | <u>9,156,626</u> |

### **16 Cash and cash equivalents**

|              | 2018             | 2017             |
|--------------|------------------|------------------|
|              | £                | £                |
| Cash on hand | 833              | 613              |
| Cash at bank | 2,862,992        | 2,039,574        |
|              | <u>2,863,825</u> | <u>2,040,187</u> |

### **17 Creditors**

|                                 | 2018             | 2017             |
|---------------------------------|------------------|------------------|
|                                 | £                | £                |
| <b>Due within one year</b>      |                  |                  |
| Trade creditors                 | 549,295          | 382,467          |
| Amounts due to related parties  | 3,361,216        | 2,637,817        |
| Corporation tax                 | 381,454          | 137,445          |
| Social security and other taxes | 796,420          | 510,109          |
| Other payables                  | 1,834            | 187,743          |
| Accruals and deferred income    | 244,461          | 207,100          |
|                                 | <u>5,334,680</u> | <u>4,062,681</u> |

### **18 Deferred tax and other provisions**

|                                 | Deferred tax   |
|---------------------------------|----------------|
|                                 | £              |
| At 1 January 2018               | 101,305        |
| Increase in existing provisions | <u>(1,729)</u> |
| At 31 December 2018             | <u>99,576</u>  |

## WIKA Instruments Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £714,470 (2017 - £649,817).

Contributions totalling £1,834 (2017 - £55,674) were payable to the scheme at the end of the year and are included in creditors.

##### Defined benefit pension schemes

##### WIKA Instruments Limited Pension Scheme

The company operates a defined benefit pension scheme in the UK. The defined benefit scheme was closed on 31 December 2004, with the exception of further lump sum employer contributions to reduce the deficit. The assets are held separately from those of the company, and have been invested with insurance companies.

The company has agreed a schedule of payments with the actuary to clear the scheme's deficit within 10 years.

In November 2014, the Electrolac Group 2002 Pension Scheme merged into the WIKA Instruments Limited Pension Scheme as part of the group reorganisation in January 2014.

The total contributions in the next year are expected to be £200,000.

The date of the most recent comprehensive actuarial valuation was 31 December 2017. The actuarial valuation was carried out by a qualified independent actuary, using the projected unit method as specified in FRS 102 paragraph 28.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £7,000 (2017 - £9,000).

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

|   | 2018<br>£   | 2017<br>£   |
|---|-------------|-------------|
| Fair value of scheme assets                 | 6,954,000   | 7,185,000   |
| Present value of defined benefit obligation | (7,233,000) | (7,562,000) |
| Defined benefit pension scheme deficit      | (279,000)   | (377,000)   |

## WIKA Instruments Limited

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

|                                      | 2018<br>£        |
|--------------------------------------|------------------|
| Present value at start of year       | 7,562,000        |
| Interest cost                        | 152,000          |
| Actuarial gains and losses           | (233,000)        |
| Benefits paid                        | (142,000)        |
| Change in value of insured annuities | (106,000)        |
| Present value at end of year         | <u>7,233,000</u> |

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

|  | 2018<br>£        |
|--|------------------|
| Fair value at start of year  | 7,185,000        |
| Interest income  | 145,000          |
| Return on plan assets, excluding amounts included in interest income/(expense) | (372,000)        |
| Expenses paid  | (3,000)          |
| Change in value of insured annuities   | (106,000)        |
| Contributions by scheme participants   | 247,000          |
| Benefits paid  | (142,000)        |
| Fair value at end of year  | <u>6,954,000</u> |

#### *Analysis of assets*

The major categories of scheme assets are as follows:

|                           | 2018<br>%    | 2017<br>%    |
|---------------------------|--------------|--------------|
| Cash and cash equivalents | 0.3          | 2.6          |
| Equity instruments        | 63.1         | 64.8         |
| Debt instruments          | 36.6         | 32.6         |
|                           | <u>100.0</u> | <u>100.0</u> |

#### *Return on scheme assets*

|                         | 2018<br>£        | 2017<br>£      |
|-------------------------|------------------|----------------|
| Return on scheme assets | <u>(372,000)</u> | <u>477,000</u> |

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

# WIKA Instruments Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018

### Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

|   | 2018<br>%  | 2017<br>%  |
|---|------------|------------|
| Discount rate                           | 3.0        | 2.7        |
| Price inflation (CPI)                   | 2.5        | 2.4        |
| Future pension increases - WIKA Section | 3.3        | 3.2        |
| Price inflation (RPI)                   | <u>3.3</u> | <u>3.2</u> |

### Post retirement mortality assumptions

|  | 2018<br>Years | 2017<br>Years |
|--|---------------|---------------|
| Current UK pensioners at retirement age - male   | 24.0          | 24.0          |
| Current UK pensioners at retirement age - female | 26.0          | 26.0          |
| Future UK pensioners at retirement age - male    | 26.0          | 26.0          |
| Future UK pensioners at retirement age - female  | <u>27.0</u>   | <u>27.0</u>   |

### 20 Share capital

Allotted, called up and fully paid shares

|                            | No.            | 2018<br>£      | No.            | 2017<br>£      |
|----------------------------|----------------|----------------|----------------|----------------|
| Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |

### 21 Obligations under leases and hire purchase contracts

#### Operating leases

The total of future minimum lease payments is as follows:

|   | 2018<br>£        | 2017<br>£        |
|---|------------------|------------------|
| Not later than one year                           | 560,006          | 574,399          |
| Later than one year and not later than five years | 1,215,122        | 1,618,919        |
| Later than five years                             | <u>111,067</u>   | <u>1,262,941</u> |
|   | <u>1,886,195</u> | <u>3,456,259</u> |

The amount of non-cancellable operating lease payments recognised as an expense during the year was £766,580 (2017 - £731,308).

## **WIKA Instruments Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **22 Dividends**

|   | <b>2018</b>      | <b>2017</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| Final dividend of £20 (2017 - £20) per ordinary share | <u>2,025,052</u> | <u>2,000,000</u> |

#### **23 Parent and ultimate parent undertaking**

The company's immediate parent is Celbar GmbH, incorporated in Germany.

Celbar GmbH is the parent undertaking of the smallest group of which WIKA Instruments Limited is a member.

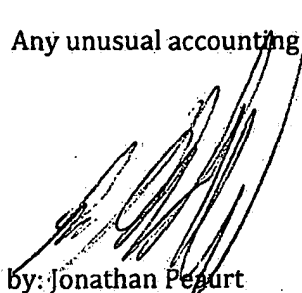
The most senior parent entity producing publicly available financial statements is WIKÄ Alexander Wiegand Beteiligungs und Verwaltungs GmbH & Co. KG. These financial statements are available upon request from Handelsregister, Germany.

The ultimate controlling party is WIKÄ Alexander Wiegand Beteiligungs und Verwaltungs GmbH & Co. KG.

**WIKI Instruments Limited**  
Year Ended: 31 December 2018  
Post balance sheet events

Please provide answers or details where applicable for the following questions in relation to post balance sheet events:

- Are you aware of any significant changes in the business since the year end? - No
- Are there any claims brought against the company or are there any expected? If so, please provide details. - No
- What is the current status of any litigation cases? - No cases outstanding
- Any material write-offs of stock since the year end? A summary of the newly written stock ageing report would be useful. - No
- Any additional rebates/refunds paid to customers in respect of the year that were not accrued? - No
- Any major new contract wins or contract losses? - No
- Are there any debtors that are giving you a cause for concern? - No
- Have any customers gone into liquidation/administration or are there any you believe may be at risk? If so provide their names and the value of the debtor at 31 December 2017 that is still unpaid. - No
- Any new commitments, borrowings or guarantees entered into - No
- Sales (or planned sales) of assets - No
- Any changes in the capital of the company - No
- Any unusual accounting adjustments (made or contemplated) - No



Signed by: Jonathan Pegart  
On behalf of WIKI Instruments Limited

22/2/2019