

Company Registration No. 3428240

VR FINANCE COMPANY

Report and Financial Statements

31 December 2021



VR FINANCE COMPANY

REPORT AND FINANCIAL STATEMENTS 2021

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VR FINANCE COMPANY

REPORT AND FINANCIAL STATEMENTS 2021

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

S G E West

REGISTERED OFFICE

19 Jessops Riverside
800 Brightside Lane
Sheffield
S9 2RX

BANKERS

HSBC Bank plc
8 Canada Square
London
E14 5HQ

AUDITORS

Ernst & Young LLP
400 Capability Green
Luton
LU1 3LU

VR FINANCE COMPANY

STRATEGIC REPORT

REVIEW OF BUSINESS

The principal activity of the company is that of a finance and investment company. The company expects to continue current activities. The functional currency is GBP.

The profit on ordinary activities after taxation for the year was £65,818,000 (2020: £102,813,000 profit).

VR Finance Company did not declare or pay dividends in the year (2020: £nil).

The Danaher Group manages its Key Performance Indicators (KPIs) at a segmental and geographical level. As this is an investment company, there are no relevant KPIs in respect of this entity.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management is integrated into the process of planning and performance management at a Group level and is monitored by Danaher Group through quarterly performance reviews. Company level risks have been considered and classified as credit risk, interest rate risk, liquidity risk and investment risk.

Credit risk is the risk that a counterparty to a financial instrument causes the company to suffer a financial loss by failing to discharge its obligations. Company policies are aimed at minimising such losses which are mitigated to a certain extent through the vast majority of all receivables being due from entities that are part of the Danaher group, which has significant resources. However, the company does continuously review its exposure to all debtors to ensure the carrying value is appropriate.

Interest rate risk is the risk that the company's interest exposure increases due to an adverse fluctuation in interest rates. The credit facilities in place have fixed rates of interest and are thus insulated against this risk. However, the amounts owed by group entities (receivables) are influenced by the UK base rate. The company reviews the interest rate charged periodically to ensure this risk is managed.

Liquidity risk is the risk that the company encounters difficulty in meeting its obligations as they fall due. The company aims to mitigate liquidity risk by effectively managing cash generation and cash collection. Liquidity risk is further mitigated by the availability of subsidiary entities to distribute dividends as and when required and access to the Danaher UK cash pool arrangements which provides significant levels of funding for the UK group entities within the cash pool which will cover temporary liquidity restraints if the need should arise.

Investment risk is the risk that the value of the company's investments could be adversely affected by changes in the underlying business of the companies. The company actively monitors the performance and underlying value of its investment companies, which are also monitored by the Danaher group, and where any impairment indicators occur will consider whether an impairment is required.

S172 COMPANIES ACT 2006

Section 172(1) Statement

The revised UK Corporate Governance Code was published in July 2018 and applies to accounting periods Beginning on or after January 1, 2019.

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172.

This S172 statement explains how the Directors:

- a) have engaged with employees, suppliers, customers and others; and
- b) have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year.

The S172 statement focuses on matters of strategic importance to the Company, and the level of information disclosed is consistent with the size and the complexity of the business.

VR FINANCE COMPANY

STRATEGIC REPORT

S172 COMPANIES ACT 2006 (CONTINUED)

General confirmation of Director's duties

The Board has a clear framework for determining the matters within its remit and certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. The Delegation of Authority sets out the delegation and approval process across the broader business.

When making decisions, each Director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (A) "The likely consequences of any decision in the long term"

The company is part of the Danaher group which is a global group of companies listed on the New York Stock Exchange, and all of its shares are held internally within the Danaher group. The Danaher group and all of its subsidiaries embrace the Danaher Business System (DBS) into its core values. The business and its Directors embody the core values of building the best team, continuously improving and driving innovation and this is included in each decision made in the short or long term.

S172(1) (C) "The need to foster the company's business relationships with suppliers, customers and others"

Delivering the Company's strategy requires strong mutually beneficial relationships with suppliers, customers and government. The Company seeks the promotion and application of sound corporate governance principles in such relationships, and which governs the Company's approach to investment opportunities and reorganisations of its investment portfolio. The Company continuously assess the priorities related to those with whom it does business, and the Board is involved in this process through business strategy updates and considering investment or divestment proposals. Moreover, the Directors receive information updates on a variety of topics that indicate and inform how these stakeholders have been engaged. These range from information provided from the Finance and/or Legal Department (e.g. internal reorganisation proposals) to information provided by the Financial Planning and Analysis Department (related to business strategies and investment or divestment proposals).

S172(1) (D) "The impact of the company's operations on the community and the environment"

The Board receives information on these topics to both provide relevant information for specific Board decisions (e.g. those related to specific strategic initiatives such as investment or divestment proposals, business strategy reviews, etc.) and to provide ongoing overviews (e.g., regular reports from internal audit).

S172(1) (E) "The desirability of the company maintaining a reputation for high standards of business conduct"

The Company abides by Danaher's Standards of Conduct, Ethics and Compliance. This ensures high standards of business conduct are maintained both within the Company and its business relationships.

S172(1) (F) "The need to act fairly as between members of the company"

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of the Company's strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, the Directors act fairly as between the Company's members but are not required to balance the Company's interest with those of other stakeholders, and this can sometimes mean that certain stakeholder interests may not be fully aligned.

VR FINANCE COMPANY

STRATEGIC REPORT

Principal decisions

There were no significant transactions that required board approval during the year ended 31 December 2021.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

The company is an investment company and is a low energy user therefore it is not required to make detailed disclosures of energy and carbon usage.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'S G E West', followed by a period.

S G E West

Director

Date: 17 August 2022

VR FINANCE COMPANY

DIRECTOR'S REPORT

The director presents his annual report and the audited financial statements for the year to 31 December 2021.

DIRECTOR

The directors who served during the year were as follows:

K G Ward (resigned 31 March 2021)

S G E West

GOING CONCERN

The Directors have performed a going concern assessment on the company, preparing forecasts for the period to 31 December 2023 (the going concern assessment period), taking into account reasonable possible downsides on the operations and financial resources of the company during that period.

The company is an investment holding and finance company with a strong balance sheet, having net assets of £4,479.3m and net current assets of £1,593m (albeit if long term debtors are excluded from this statutory classification then the company is in a net current liabilities position of £68m). As at 31 December 2021 the company has a current bank overdraft of £58m, held within the group cash pool arrangement, and whilst dividends are forecast to be received in the going concern assessment period these will be used to finance tax payments and ongoing maintenance costs which will leave the company in a similar overdraft position. For any cash requirements above the amounts received in dividends from subsidiaries the company will continue to be able to draw on cash from the group cash pool arrangement in order to meet its forecast level of costs expected to be incurred by the company in its activities, throughout the assessment period.

As part of the group cash pool arrangement, company cash holdings remain in the ownership of each company and are not subject to cash sweeping with all members entering into unlimited cross guarantees in respect of bank borrowings based on cash balances within the cash pool accounts. Accordingly, the company will continue to be able to rely on the availability of the overdraft facility within that group cash pool arrangement throughout the assessment period.

After making due enquiries and considering the company's access to funds via further cash pool facilities or dividend income to meet its liabilities as they fall due, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the going concern assessment period to 31 December 2023. These considerations included the challenging current economic environment and also any lasting impact of COVID-19 on the company or its investments, as well as the wider UK and Danaher Corporation group. Accordingly, the financial statements have been prepared on the going concern basis.

THIRD PARTY INDEMNITIES

Danaher Corporation has provided to all directors limited indemnities in respect of the cost of defending claims against them and third party liabilities. These are all third party indemnity provisions for the purpose of the Companies Act 2006 and are all currently in force.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditors are unaware. Having made enquiries of the company's auditor, the director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Board



S G E West

Director

Date: 17 August 2022

VR FINANCE COMPANY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the company financial statements, state whether applicable UK Accounting Standards, including FRS 101, 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 appropriate to presume that the company will not 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VR FINANCE COMPANY

Opinion

We have audited the financial statements of VR Finance Company for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 31 December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VR FINANCE COMPANY

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

Responsibilities of directors

As explained more fully in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VR FINANCE COMPANY

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

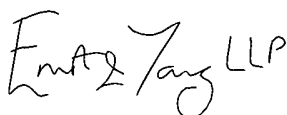
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined the most significant to be those relating to United Kingdom General Accepted Accounting Practice, the Companies Act 2006, and United Kingdom direct and indirect tax regulations. The company has minimal transactions, and no employees.
- We understood how VR Finance Company is complying with those frameworks by making enquiries of senior finance personnel and those charged with governance and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by discussing with senior finance personnel and those charged with governance as to the rationale behind the specific accounting transactions. Due to the nature of the company, as a group investment holding company and finance company, the risk of material misstatement is deemed to be low.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included reading board meeting minutes and relevant approval documents, enquiries of senior finance personnel and those charged with governance and agreement of transactions to supporting source documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Fraser Bull (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Luton
Date: 17 August 2022

VR FINANCE COMPANY

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2021

	Note	2021 £000	2020 £000
Operating income / (expense)		(4)	(4)
Operating exceptional income / (expense)		-	-
OPERATING PROFIT / (LOSS)	3	(4)	(4)
Income from investments	4	-	-
Interest receivable and similar income	5	121,539	117,081
Interest payable and similar charges	6	(184)	(708)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		121,351	116,369
Tax (charge) / credit on profit / (loss) on ordinary activities	7	(55,533)	(13,556)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION, AND TOTAL COMPREHENSIVE INCOME		<u>65,818</u>	<u>102,813</u>

The accompanying notes are an integral part of this statement of comprehensive income.

All activities derive from continuing operations.

VR FINANCE COMPANY

Registered number 3428240

BALANCE SHEET At 31 December 2021

	Note	2021 £000	2020 £000
FIXED ASSETS			
Investments	8	<u>2,886,802</u>	<u>2,886,802</u>
CURRENT ASSETS			
Debtors			
- due within one year	9	55	1
- due after more than one year	10	1,660,285	1,538,771
Cash at bank and in hand		<u>-</u>	<u>2,025</u>
		1,660,340	1,540,797
CREDITORS: amounts falling due within one year	11	<u>(67,770)</u>	<u>(14,045)</u>
NET CURRENT ASSETS / (LIABILITIES)		<u>1,592,570</u>	<u>1,526,752</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,479,372</u>	<u>4,413,554</u>
NET ASSETS / (LIABILITIES)		<u>4,479,372</u>	<u>4,413,554</u>
 CAPITAL AND RESERVES			
Called up share capital	12	1,749,973	1,749,973
Share premium account	13	648,972	648,972
Profit and loss account		<u>2,080,427</u>	<u>2,014,609</u>
TOTAL SHAREHOLDERS' FUNDS		<u>4,479,372</u>	<u>4,413,554</u>

These financial statements were approved by the Director on 17 August 2022.



S G E West
Director

The accompanying notes are an integral part of this balance sheet.

VR FINANCE COMPANY

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2021

	Ordinary share capital £000	Share premium account £000	Profit and loss account £000	Total Shareholders funds £000
At 1 January 2020	1,749,953	-	1,911,796	3,661,749
Profit and total comprehensive income for the year	-	-	102,813	102,813
Shares issued	20	648,972	-	648,992
Share issue costs	-	-	-	-
Equity dividends paid	-	-	-	-
At 31 December 2020	1,749,973	648,972	2,014,609	4,413,554
Profit and total comprehensive income for the year	-	-	65,818	65,818
Shares issued	-	-	-	-
Share issue costs	-	-	-	-
Equity dividends paid	-	-	-	-
At 31 December 2021	<u>1,749,973</u>	<u>648,972</u>	<u>2,080,427</u>	<u>4,479,372</u>

The accompanying notes are an integral part of this statement of changes in equity.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS101

The financial statements of VR Finance Company (the "Company") for the year ended 31 December 2021 were authorised for issue by the sole director on 17 August 2022 and the balance sheet was signed on the board's behalf by S G E West. VR Finance Company is incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company is a private company limited by shares and is incorporated in England and Wales.

The Company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Danaher Corporation.

The results of VR Finance Company are included in the consolidated financial statements of Danaher Corporation which are available from 2200 Pennsylvania Avenue Suite 800 West, Washington DC 20037, USA.

The principal accounting policies adopted by the Company are set out in note 2.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2021.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures*,
- (b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*,
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- (d) the requirements of paragraphs 10(d), 10(f), 38A, 38B, 38C, 38D, 111, and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- (i) the requirements of paragraphs 130(f)(ii)-130(f)(iii) of IAS 36 Impairment of Assets

Going concern

The director has considered the availability of funds described more fully in the Director's report on page 5. Given this assessment the director has a reasonable expectation that the Company has adequate resources to continue in operation for the going concern period to 31 December 2023. Accordingly, the financial statements have been prepared on the going concern basis.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS **Year ended 31 December 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.2 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

There are no amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the company.

2.3 JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements, including estimates, have had the most significant effect on amounts recognised in the financial statements:

Impairment of investments

Where there are indicators of impairment management performs impairment tests based on fair value less cost to sell or value in use. Such tests will include estimates such as forecast profits, market valuations and discount rates. Changes in these estimates can have a significant impact on the impairment test assessment outcome.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS **Year ended 31 December 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES

Dividend income

Dividends are recognised as income from investments when the company's right to receive payment has been established.

Dividend distributions

Dividends payable are recognised as a liability when the distribution is authorised and is no longer at the discretion of the company.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of comprehensive income.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised; and
- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Investments

All investments have been valued in accordance with IAS 27 at cost less provision for impairment. Where an investment is not directly in an associate or subsidiary of the company, but the investment is in an entity that is ultimately a subsidiary of Danaher Corporation, then the director has deemed this to fall under the requirements of IAS 27.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets – recognition and measurement

Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive cash.

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The classification depends on the purpose for which the financial assets were acquired and is determined by management at initial recognition.

The company classifies its financial assets in the following categories: at fair value through profit or loss; and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss or at fair value through other comprehensive income

There are no instruments which have been classified under this category.

(b) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business mode whose objective is to collect the contractual cashflows.
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

This category is the most relevant to the company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS **Year ended 31 December 2021**

2.4 SIGNIFICANT ACCOUNTING POLICIES (continued)

De-recognition

The company de-recognises a financial asset:

- a) When the contractual right to cashflows from the financial asset expire, or
- b) It transfers the financial asset and the transfer qualifies for de-recognition under IFRS 9.

Impairment of financial assets

In accordance with IFRS 9 the company applies the expected credit loss (ECL) model for the measurement and recognition of impairment loss on loans and receivables.

For intercompany receivables that are considered by the company to have a low credit risk the company considers the 12 month expected credit loss.

Financial Liabilities – recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities as described below:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- (a) *Financial liabilities at fair value through profit or loss*
- (b) *Loans and borrowings*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

The company does not have any financial liabilities which are subsequently re-measured at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

3. OPERATING PROFIT / (LOSS)

Operating profit / (loss) is stated after charging / (crediting):

	2021 £000	2020 £000
Auditors' remuneration		
- audit	4	4

The Directors of this company who served during the year are employed by fellow group companies, Launchchange Operations Limited (K G Ward) and Linx Printing Technologies Limited (S G E West). The services of S G E West are deemed to be wholly attributable to his qualifying service to Linx Printing Technologies Limited. K G Ward provided services to this company and a number of other group companies. The salary of this Director is paid by Launchchange Operations Limited, and the proportion of the Director's salary relating to services provided to this company was £569 (2020: £1,323).

The company has no employees other than the director.

4. INCOME FROM INVESTMENTS

	2021 £000	2020 £000
Dividends received	-	-

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 £000	2020 £000
Interest receivable from fellow group undertakings	121,514	116,794
Bank interest receivable	25	287

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2021 £000	2020 £000
Interest payable to fellow group undertakings	104	114
Bank interest payable	80	594

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

7. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

(a) Tax charged to profit or loss in the statement of comprehensive income

	2021 £000	2020 £000
Current tax		
UK corporation tax at the standard rate of 19% (2020: 19%)	23,057	13,556
Adjustment in relation to prior years	32,476	-
	<u>55,533</u>	<u>13,556</u>
Deferred tax		
Charge / (credit) to the profit and loss account	-	-
	<u>-</u>	<u>-</u>
 Taxation charge / (credit) for the year	 <u>55,533</u>	 <u>13,556</u>

(b) Reconciliation of the total tax charge

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 19% (2020: 19%). The actual tax charge for the year differs from the standard rate of UK corporation tax for the reasons set out in the following reconciliation.

	2021 £000	2020 £000
Profit / (loss) before tax	121,351	116,369
Tax on profit / (loss) on ordinary activities at standard UK corporation tax rate of 19% (2020: 19%)	23,057	22,110
Effects of:		
Expenses not deductible	-	-
Income non-taxable	-	-
Income from investments not taxable	-	-
Adjustment in relation to prior years	32,476	-
Group relief	-	(8,554)
Total tax expense reported in the income statement	<u>55,533</u>	<u>13,556</u>

(c) Change in Corporation Tax rate

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19% as previously enacted). The Spring Budget 2021 was substantively enacted on 24 May 2021.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENTS

	Subsidiary undertakings	Total
	£000	£000
Cost		
At 1 January 2021	2,886,802	2,886,802
Additions	-	-
Disposals	-	-
At 31 December 2021	<u>2,886,802</u>	<u>2,886,802</u>
Impairment		
At 1 January 2021	-	-
Charge for the year	-	-
Disposals	-	-
At 31 December 2021	<u>-</u>	<u>-</u>
Carrying value		
At 31 December 2021	<u>2,886,802</u>	<u>2,886,802</u>
At 1 January 2021	<u>2,886,802</u>	<u>2,886,802</u>

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENT (CONTINUED)

Subsidiaries and directly held significant investments are as follows:

Company name	Registered office	Class of shares held	Proportion of the nominal value of shares held (%)	Direct or Indirect holding
Launchchange Instrumentation Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Direct
GHC Holding Corporation	1209 Orange Street, Wilmington DE 19801, United States	Common Stock Class A shares	100	Indirect
Esko-Graphics Inc.	C T Corporation System, 289 S. Culver St. Lawrenceville, GA 30046, United States	Common Stock shares	100	Indirect
Esko Graphics Mexico, S. De R.L. de C.V.	Avenida Coyoacan 1213, Colonia del Valle, Benito Juarez, Distrito Federal, MX 03340, Mexico	Ordinary Shares	100	Indirect
GCC Canada Corporation	125 Stewart Blvd. Suite 206, Brockville ON K6V 4W4, Canada	Common Stock shares, Class A Preferred Stock shares	100	Indirect
GHKH Hong Kong Limited	Suites 406-409, 4/F., Three Pacific Place, 1 Queen's Road East, Hong Kong	Common Stock shares	100	Indirect
X-Rite, Incorporated	The Corporation Company, 30600 Telegraph Road, Suite 2345, Bingham Farms MI 48025, United States	Common Stock shares	100	Indirect
Pantone Japan, Inc.	The Corporation Trust Company, 820 Bear Tavern Road, West Trenton NJ 08628, United States	Common shares	100	Indirect
Pantone Japan Co, Ltd.	West wing 6F, Telecom Center Bldg. , 2-5-10, Aomi, Koto-ku., Tokyo 135-0064 , Japan	Common shares	100	Indirect
Pantone LLC	The Corporation Trust Company, 820 Bear Tavern Road, West Trenton NJ 08628, United States	Ordinary shares	100	Indirect
X-Rite Global, Incorporated	The Corporation Company, 40600 Ann Arbor Road E, Suite 201, Plymouth MI 48170, United States	Common shares	100	Indirect
X-Rite (Shanghai) Color Management Col, Ltd.	6/F, Building#1 , IBP Phase 2, 518 Fuquan Road North, Changning District, Shanghai, 200335, China	Ordinary shares	100	Indirect
X-Rite Mediterranee SARL	43 rue du Saule Trapu, 91300, Massy, France	Ordinary shares	100	Indirect
X-Rite Limited	c/o Lonsdale & Marsh, Fifth Floor, Orleans House, Edmund Str, Liverpool, L39NG, United Kingdom	Common shares	100	Indirect

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENT (CONTINUED)

Company name	Registered office	Class of shares held	Proportion of the nominal value of shares held (%)	Direct or Indirect holding
Launchchange Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares, A preference shares	100	Indirect
Launchchange UK Holdco Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary Shares	100	Indirect
LIL Holdco UK Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary Shares	100	Indirect
Launchchange Operations Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares shares, Class B Ordinary Shares	100	Indirect
AB Sciex UK Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Phenomenex Ltd.	Melville House Queens Avenue, Hurdsfield Industrial Estate, Macclesfield, Cheshire, SK10 2BN, United Kingdom	Ordinary Shares	100	Indirect
Hach Lange LTD (UK)	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Launchchange Holdings Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
DH UK Finance Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Launchchange Finance Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Leica Biosystems Newcastle Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Leica Microsystems (UK) Limited	Lothbury House, Newmarket Road, Cambridge, CB5 8PB, United Kingdom	Ordinary shares	100	Indirect
Linx Printing Technologies Limited	Linx House, 8 Stocks Bridge Way, Compass Point Business Park, St Ives, Cambridgeshire, PE27 5JL, United Kingdom	Ordinary shares	100	Indirect
Pall Manufacturing UK Limited	5 Harbourgate Business Park, Southampton Road, Portsmouth, Hampshire, PO6 4BQ, United Kingdom	Ordinary Shares	100	Indirect
Pall Europe Limited	5 Harbourgate Business Park, Southampton Road, Portsmouth, Hampshire, PO6 4BQ, United Kingdom	Common shares	100	Indirect

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENT (CONTINUED)

Company name	Registered office	Class of shares held	Proportion of the nominal value of shares held (%)	Direct or Indirect holding
Videojet Technologies (Nottingham) Limited	4 & 5 Ermine Centre, Lancaster Way, Huntingdon, England, PE29 6XX, United Kingdom	Ordinary shares	100	Indirect
Linx Acquisition Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Videojet Technologies Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington DE 19801, United States	Common Stock shares, Preferred Stock shares	100	Indirect
DMG Plastics, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington DE 19801, United States	Common shares	80	Indirect
Marsh Interex Ltd.	c/o 1500 North Mittel Blvd. Wooddale IL 60161-1073, Jamaica	Ordinary shares	100	Indirect
Marsh Label Technologies LLC	C T Corporation System, 120 South Central Avenue, Clayton MO 63105, United States	Ordinary shares	67	Indirect
Videojet Technologies Mexico S. de R.L. de C.V.	Av. Coyoacán # 1213, Col. Del Valle, Mexico D.F, 03100 , Mexico	Fixed Capital Equity Quotas shares, Variable Capital Equity Quotas shares	100	Indirect
Videojet Technologies Mexico Services S. de R.L. de C.V.	Av. Coyoacán # 1213, Col. Del Valle, Mexico D.F, 03100 , Mexico	Fixed Capital Equity Quotas shares	100	Indirect
Willelt Holdings B.V.	Strijkviertel 53, 3454 PK, De Meern Netherlands	Ordinary shares	100	Indirect
Videojet Technologies SP z.o.o.	ul. Kolejowa 5/7, 01-217, Warszawa, Poland	Ordinary shares	99	Indirect
Videojet Technologies Urun Kodlama ve Etiketleme Danismanlik ve Ticaret Limited Sirketi	Cubukcuoglu Is Merkezi, Ruya sokak no 11, Kucukbakkalkoy,, Özel İşyeri:4, Atasehir / Istanbul, 34750, Turkey	Ordinary shares	99	Indirect
Leica Teknoloji Çözümleri Dağıtım Limited Şirketi	FSM Mah. Poligon cad. no:8, Buyaka2 Sitesi , 3 no'lu Blok, daire No:100 Umraniye- İstanbul, Turkey	Ordinary Shares	100	Indirect
Willelt GmbH	An der Meil 2, 65555, Limburg, Germany	Common Stock shares	100	Indirect
Hach Lange Spain SLU	Plaça d'Europa 41-43, Torre Realia 4ª Planta, 08908 L'HOSPITALET DE LLOBREGAT (Barcelona), Spain	Ordinary shares	100	Indirect
Videojet Technologies S.L.	C/Valgrande, 8 Nave B1A 28108 Alcobendas, 28108, Madrid, Spain	Ordinary shares	100	Indirect
Videojet S.R.L. Argentina	Marval Law Firm Av. Leandro N. Alem 928, Buenos Aires, C1001AAR, Argentina	Ordinary shares	100	Indirect

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENTS (CONTINUED)

Company name	Registered office	Class of shares held	Proportion of the nominal value of shares held (%)	Direct or Indirect holding
ID Business Solutions Limited	2 Occam Court, Occam Road, Surrey Research Park, Guildford, Surrey, GU2 5QB, United Kingdom	Ordinary A shares, Ordinary B shares, Ordinary C shares	100	Indirect
IDBS (Hong Kong) Limited	4/F Three Pacific Place, 1 Queen's Road East, Hong Kong	Ordinary shares	100	Indirect
IDBS Asia-Pacific Limited	2 Occam Court, Occam Road Surrey Research Park, Guildford, Surrey, England, GU2 5QB, United Kingdom	Ordinary shares	100	Indirect
Inforsense Limited	2 Occam Court, Occam Road Surrey Research Park, Guildford, Surrey, England, GU2 5QB, United Kingdom	Ordinary shares	100	Indirect
ID Business Solutions (Shanghai) Limited	Room 103, 1/F, No. 51, Lane 588, Shuping Road, Juyuan New Area, Jiading District, Shanghai, China	Ordinary shares	100	Indirect
Sarbel UK Holding Company	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Blue Software Holdings Corporation	1209 Orange Street, Corporation Trust Center, Wilmington DE 19801, United States	Common Stock shares, Preferred A shares, Preferred B shares, Preferred C shares	100	Indirect
Blue Software Acquisition Corporation	8438 W Bryn Mawr Ave Suite 1100 Chicago, IL 60631, USA	Common Stock shares	100	Indirect
Blue Software, LLC	1209 Orange Street, Corporation Trust Center, Wilmington DE 19801, United States	Ordinary shares	100	Indirect
Blue Software (UK) Limited	Arnold & Porter, Tower 42, 25 Old Broad St., London, EC2N 1HQ, United Kingdom	Ordinary shares	100	Indirect
Viki Solutions Inc.	810 Humboldt Street, Suite 700, Tower B, Victoria, BC V8V 5B1, Canada	Ordinary shares	100	Indirect
Pall Arabia for Trading	Al-Turki Business Park (2nd Floor), 7244 King Saud Road, Ad Dawhah Al Janubiyah Dist., Unit No. 55, Dhahran, 34455-3955, Saudi Arabia	Ordinary shares	70	Indirect
X-Rite Holdings, Inc.	The Corporation Company, 40600 Ann Arbor Road E, Suite 201, Plymouth MI 48170, United States	Ordinary shares	100	Indirect
DH Omega Holdings Inc	1201 Orange Street, Wilmington DE 19801, United States	Ordinary shares	100	Indirect
DH Omega Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
GL UK Holdings Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
Cytiva Bioscience Holding Limited	Amersham Place, Little Chalfont, Buckinghamshire, HP7 9NA, United Kingdom	Ordinary shares, Preferred shares	100	Indirect
Puridify Ltd.	Stevenage BioScience Catalyst Gunnels Wood Road, Stevenage, Hertfordshire, SG1 2FX, United Kingdom	Ordinary shares	100	Indirect

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

8. FIXED ASSET INVESTMENTS (CONTINUED)

Company name	Registered office	Class of shares held	Proportion of the nominal value of shares held (%)	Direct or Indirect holding
Cytiva CTH Holding Limited	Amersham Place, Little Chalfont, Buckinghamshire HP7 9NA, Buckinghamshire, HP7 9NA, United Kingdom	Ordinary shares	92	Indirect
Asymptote Limited	Sovereign House, Vision Park Chivers Way, Histon, Cambridge, CB24 9BZ, United Kingdom	Ordinary shares	100	Indirect
ATTC Training Center Sdn Bhd	19-3, Jalan Tasik Selatan 3, Bandar Tasik Selatan, 57000, Kuala Lumpur, Malaysia	Ordinary shares	100	Indirect
Hach Malaysia Sdn Bhd		Ordinary shares	100	Indirect
Stampede Acquisition Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect
A/B Sciex OY	Biolinja 12, Turku, FI-20750, Finland	Share capital shares	100	Indirect
Graphics Microsystems LLC	1209 Orange Street, Corporation Trust Center, Wilmington DE 19801, United States	Common shares	70	Indirect
Leica Microsystems Cambridge Limited	19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX, United Kingdom	Ordinary shares	100	Indirect

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000	2020 £000
Amounts owed by other group undertakings	-	-
Corporation tax	55	-
Other debtors	-	1
	<u>55</u>	<u>1</u>

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

10. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £000	2020 £000
8% unsecured convertible loan stock 2024	696,866	645,248
10% unsecured loan stock 2029	137,867	125,334
8.5% unsecured loan stock 2023	37,129	34,221
7% unsecured loan stock 2031	178,261	166,599
8.5% unsecured loan stock 2026	24,184	22,289
8.5% unsecured loan stock 2023	3,983	3,671
8.5% unsecured loan stock 2023	311,629	287,216
8.25% unsecured loan stock 2031	86,282	79,706
5.5% unsecured loan stock 2032	184,084	174,487
	<u>1,660,285</u>	<u>1,538,771</u>

The 8% unsecured loan note 2024 is payable on 12 August 2024 with the option for the borrower to settle the principal plus any unpaid interest in shares, such option to be exercised by the borrower on or before 31 July 2024 or such later date as the company may agree. This note was issued to VR Finance Company by a fellow group undertaking, Launchchange Holding Company.

The 10% unsecured loan note is repayable 31 March 2029 and bears interest of 10% per annum. The borrower is entitled to prepay at any time the whole or any part of the principal sum and the accrued unpaid interest on so much of the principal sum as is then repaid by the borrower. This note was issued to VR Finance Company by a fellow group undertaking, Launchchange Holding Company.

The 8.5% unsecured loan note 2023 is repayable 30 April 2023. The borrower is entitled to prepay at any time the whole or any part of the principal sum and the accrued unpaid interest on so much of the principal sum as is then repaid by the borrower. This note was issued to VR Finance Company by Launchchange Holding Company.

The 7% unsecured loan note 2031 is repayable 16 March 2031. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower. This note was issued to VR Finance Company by a fellow group undertaking, Launchchange Holding Company.

An 8.5% unsecured loan note 2026, repayable 31 December 2026. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower.

An 8.5% unsecured loan note 2023, repayable 30 April 2023. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower.

An 8.5% unsecured loan note 2023, repayable 30 April 2023. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower.

An 8.25% unsecured loan note 2031, repayable 1 January 2031. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower.

An 5.5% unsecured loan note 2032, repayable 14 May 2032. The borrower is entitled to prepay at any time the whole or any part of the principal sum and accrued unpaid interest on so much of the principal sum as is then repaid by the borrower.

VR FINANCE COMPANY

NOTES TO THE ACCOUNTS Year ended 31 December 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000	2020 £000
Bank overdraft	58,217	-
Corporation tax payable	-	4,621
Amounts owed to other group undertakings	9,523	9,420
Accruals and deferred income	30	4
	<u>67,770</u>	<u>14,045</u>

VR Finance Company owed Launchchange Holding Company £8,012,000 plus accrued interest, repayable on demand and bearing interest at the Bank of England base rate plus 1 per cent per annum. Interest was added to the loan during the year.

12. CALLED UP SHARE CAPITAL

	2021 £000	2020 £000
Called up, allotted and fully paid		
1,749,972,856 ordinary shares of £1 each (2020: 1,749,972,856)	<u>1,749,973</u>	<u>1,749,973</u>
	<u>1,749,973</u>	<u>1,749,973</u>

13. SHARE PREMIUM ACCOUNT

This reserve records the amount above nominal value on shares issues, less transaction costs.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is Launchchange Holding Company, a company registered in England and Wales. The ultimate parent undertaking and controlling party is Danaher Corporation, a company incorporated in the USA.

The largest and smallest group in which the results of the company are consolidated is Danaher Corporation, a company incorporated in the USA. The consolidated financial statements of this group are available to the public and may be obtained from 2200 Pennsylvania Avenue, Suite 800 West, Washington DC 20037, USA.

15. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

16. POST BALANCE SHEET EVENTS

On 4 May 2022 VR Finance Company contributed cash of £892m to Launchchange Instrumentation Limited in exchange for 10,000 new ordinary shares in Launchchange Instrumentation Limited. On 4 May 2022 Launchchange Holding Company contributed cash of £892m to VR Finance Company in exchange for 10,000 new ordinary shares in VR Finance Company.