

Endress + Hauser Limited
Directors' Report and financial statements
for the year ended 31 December 2012

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Endress + Hauser Limited

Directors' Report and financial statements for the year ended 31 December 2012

Contents

	Page
Directors and advisers for the year ended 31 December 2012	1
Directors' report for the year ended 31 December 2012	2
Independent auditors' report to the members of Endress + Hauser Limited	5
Profit and loss account for the year ended 31 December 2012	7
Balance sheet as at 31 December 2012	8
Statement of accounting policies	9
Notes to the financial statements for the year ended 31 December 2012	12

Endress + Hauser Limited

Directors and advisers for the year ended 31 December 2012

Directors

Mr H-P Endress (Chairman)
Mr D C Newell (Managing Director)
Mr R Stone
Mr A C Grassby
Mr P Barlow
Mrs H R Summersgill (Non-executive)

Company secretary and registered office

Mrs J K Marchent
Floats Road
Manchester
M23 9NF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers

Lloyds Bank Plc
223 Finney Lane
Heald Green
Cheadle
Cheshire
SK8 3PY

Endress + Hauser Limited

Directors' report for the year ended 31 December 2012

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2012

Business review and principal activities

The company's principal activities continue to be the design, manufacture, supply, installation and servicing of electronic process control systems and equipment

Results and dividends

The results for the year show a pre-tax profit of £3,119,238 (2011 £2,043,937).

A dividend of £6 25 (2011 £5 61) per share, as proposed in the 2011 report amounting to £1,000,000 (2011 £898,000) has been paid in the year. Based on the 2012 results, a final dividend of £9 375 (2011 £6 25) per ordinary share amounting to £1,500,000 (2011 £1,000,000) is proposed and, if approved, will be paid by 31 March 2013

Future outlook

The external commercial environment is expected to continue to remain competitive. The directors however look forward to further growth in the next financial year

Principal risks and uncertainties

The key business risks affecting the company are considered to relate to the macro economic environment, competition, foreign exchange rates and availability of key skills

Key performance indicators ("KPIs")

The Board monitors progress on the company's strategy by reference to certain KPIs as follows

	2012	2011	
	%	%	
Sales growth	10.5	5.0	Year on year sales growth expressed as a percentage
Operating profit	8.2	4.8	Operating profit expressed as a percentage of sales
Return on net assets	20.9	12.1	Operating profit expressed as a percentage of net assets

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows

Mr H-P Endress	(Chairman)
Mr D C Newell	(Managing Director)
Mr R Stone	
Mr A C Grassby	
Mr P Barlow	
Mrs H R Summersgill	(Non-executive)

Endress + Hauser Limited

Directors' indemnities

The company maintains liability insurance for its directors and officers. The company has also provided an indemnity for its directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Employees

Employees are regularly updated on matters affecting their relationship to the company. This includes but is not restricted to, new legislation and economic factors affecting the company's performance.

It is the company's policy to provide equal opportunity for employees or applicants for employment irrespective of colour, race, nationality, ethnic origin, sex or marital status.

It is the further the policy of the company to give full and fair consideration to employment applications made by disabled persons, having regard to their particular aptitudes and abilities, and to continue where possible the employment of, and to arrange appropriate training for employees who become disabled while employed by the company.

Charitable Donations

The company has made charitable donations during the year of £2970. The purpose of the donations was as follows:

Donation to local junior football team	£2,750
Donation to Lifeshare	£220

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, credit risk, liquidity risk and interest rate risk. The directors monitor the risks in order to limit the adverse effects on the financial performance by reviewing levels of debt finance and the related finance costs.

Price risk

The directors do not believe this constitutes a significant risk to the business as it is not material.

Foreign exchange risk

The company is exposed to foreign exchange risk as a result of its operations, however these are managed by use of hedging forward exchange contracts. The directors do not believe this constitutes a significant risk to the business.

Credit risk

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

Liquidity risk

The company manages and uses its working capital to ensure that it has sufficient funds for ongoing operations and future investments.

Interest rate risk

The directors do not believe this constitutes a significant risk to the business. The company has no interest bearing liabilities.

Endress + Hauser Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

In accordance with Section 418, the Directors' reports shall include a statement, in the case of each director in office at the date the Directors' report is approved, that

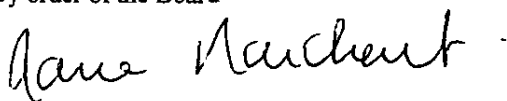
(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the Board



Mrs J K Marchent
Company secretary

14 March 2013

Endress + Hauser Limited

Independent auditors' report to the members of Endress + Hauser Limited

We have audited the financial statements of Endress + Hauser Limited for the year ended 31 December 2012 which comprise Profit and loss account, the Balance sheet, the Statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Endress + Hauser Limited

Matters on which we are required to report by exception

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



Nicholas Gower (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

15 March 2013

Endress + Hauser Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Continuing operations			
Turnover	1	37,806,338	34,206,797
Cost of sales		(27,131,694)	(25,424,502)
Gross profit		10,674,644	8,782,295
Distribution costs		(5,506,271)	(5,116,329)
Administrative expenses		(2,053,366)	(2,013,007)
Operating profit	4	3,115,007	1,652,959
Profit on sale of fixed assets	5	-	377,014
Profit on ordinary activities before interest and taxation		3,115,007	2,029,973
Interest receivable and similar income	6	8,702	20,279
Interest payable and similar charges	7	(4,471)	(6,315)
Profit on ordinary activities before taxation		3,119,238	2,043,937
Tax on profit on ordinary activities	8	(876,302)	(508,431)
Profit for the financial year	18	2,242,936	1,535,506

The company has no recognised gains or losses other than the results above and therefore no separate statement of recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents

Endress + Hauser Limited

Balance sheet as at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	10	7,351,890	7,161,086
Investments	10	-	-
		7,351,890	7,161,086
Current assets			
Stocks	12	1,377,423	1,074,798
Debtors	13	8,891,893	7,429,331
Cash at bank and in hand		492,785	1,512,742
		10,762,101	10,016,871
Creditors: amounts falling due within one year	14	(2,831,580)	(3,176,842)
Net current assets		7,930,521	6,840,029
Total assets less current liabilities		15,282,411	14,001,115
Creditors: amounts falling due after more than one year	15	(22,484)	(21,709)
Provisions for liabilities	16	(353,469)	(315,884)
Net assets		14,906,458	13,663,522
Capital and reserves			
Called up share capital	17	160,000	160,000
Profit and loss account	18	14,746,458	13,503,522
Total shareholders' funds	19	14,906,458	13,663,522

The financial statements on pages 7 to 23 were approved by the Board on 14 March 2013 and signed on its behalf by


 Mr H-P Endress
 Director

14 March 2013

Endress + Hauser Limited

Registered number 942157

Endress + Hauser Limited

Statement of accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Consolidation

The financial statements contain information about Endress + Hauser Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it, its subsidiary undertakings and its immediate parent undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent Endress + Hauser AG, a company incorporated in Switzerland.

Turnover

Turnover represents amounts receivable for goods and services provided during the year in the United Kingdom and overseas net of trade discounts, value added tax and other related taxes. Sales are recognised when goods are delivered to customers, or based on the period over which services are provided.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost, less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write-off the cost, less estimated residual value, of each asset on a straight-line basis over the lower of its expected useful economic life or term of the lease, as follows:

Freehold buildings	- over 40 years
Plant and equipment	- over 4 to 10 years
Furniture, fixtures and fittings	- over 4 to 10 years
Computer and electronic equipment	- over 5 years
Motor vehicles	- over 4 years

Leasing and hire purchase commitments

Assets obtained under hire purchase agreements are capitalised as tangible fixed assets in the balance sheet and depreciated over their estimated useful life. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to profit and loss account on a straight line basis.

Statement of accounting policies (continued)

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on first in first out basis. In respect of work in progress and finished goods, cost includes overheads, transportation, and duty costs where appropriate. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

Pensions

Pension costs relating to the company's defined contribution scheme are charged to the profit and loss account in accordance with contributions payable to the scheme in the financial year. The assets of the pension scheme are held separately from those of the company in an independently administered fund.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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

Foreign currencies

Monetary assets, and liabilities have been translated to sterling at rates of exchange ruling at the balance sheet date or rates of exchange committed under forward contracts. Stocks have been translated to sterling at rates of exchange which approximate to those at the date when the relevant stocks were acquired. Revenue and expenses in foreign currencies are recorded in sterling at the rates ruling at the dates of the transactions.

Gains and losses on forward contracts are recognised in the profit and loss account when the contract matures.

All other exchange differences are reflected in the profit and loss account in arriving at the result for the year.

Financial instruments

Debtors and creditors are non-derivative financial assets or liabilities with fixed or determinable payments that are not quoted on an active market. They are included within assets or liabilities at book value depending on when they fall due.

Equity instruments

Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends are accounted for when they have been formally approved and are deducted from equity.

Statement of accounting policies (continued)

Warranties

Provision is made for the expected cost of maintenance under warranty obligations and other work in respect of products delivered and invoiced. The provision is undiscounted as the time value of money is not considered to have a material impact.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Endress + Hauser AG and is included in the consolidated financial statements of Endress + Hauser AG, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'Cash flow statements' (revised 1996). The company is also exempt under the terms of FRS 8 'Related party disclosures' from disclosing related party transactions with entities that are part of the Endress + Hauser AG group.

Investments

Investments are stated at cost except to the extent that there has been a permanent diminution in value. In such cases the investments are written down to their estimated recoverable values.

Endress + Hauser Limited

Notes to the financial statements for the year ended 31 December 2012

1 Turnover

All the turnover is derived from the company's principal activity

A geographical analysis of turnover by destination is given below

	2012	2011
	£	£
United Kingdom	35,302,268	31,455,230
Europe	2,111,253	2,358,438
United States of America	153,919	119,874
Rest of the world	238,898	273,255
	37,806,338	34,206,797

2 Employees

Staff costs (including directors) consist of

	2012	2011
	£	£
Wages and salaries	6,654,199	6,292,992
Social security costs	674,446	701,095
Other pension costs (note 20)	429,826	451,633
	7,758,471	7,445,720

The average monthly number of employees (including directors) of the company during the year was as follows

By activity	2012	2011
	Number	Number
Administration	21	21
Sales and distribution/service	150	149
Manufacturing and development	18	20
	189	190

Endress + Hauser Limited

3 Directors' emoluments

Directors' emoluments consist of	2012 £	2011 £
Aggregate emoluments	632,382	627,408
Payments to defined contribution pension schemes	48,157	52,488
	680,539	679,896

Number of directors receiving	2012 Number	2011 Number
Payments to defined contribution pension schemes	4	5

The highest paid director's emoluments comprise	2012 £	2011 £
Aggregate emoluments	187,724	236,707
Payments to defined contribution pension schemes	21,016	15,251
	208,740	251,958

Endress + Hauser Limited

4 Operating profit

Operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation		
Owned tangible assets	456,957	437,546
Assets held under hire purchase agreements	110,669	86,234
Profit on disposal of tangible fixed assets	(15,595)	(29,733)
Operating lease rentals		
Land and buildings	2,392	2,737
Loss on foreign exchange	114,277	202,727
Services provided by the company's auditor		
Audit services		
- Fees payable for audit related regulatory reporting	56,000	58,800
Non-audit services		
- Tax services and compliance work	10,850	17,470

5 Profit on sale of fixed assets

	2012	2011
	£	£
Continued operations		
Net sale proceeds	-	515,601
Net book value	-	(138,587)
Profit on sale of fixed assets	-	377,014

Endress + Hauser Limited

6 Interest receivable and similar income

	2012	2011
	£	£
Bank interest	8,702	20,279

7 Interest payable and similar charges

	2012	2011
	£	£
On bank overdrafts	-	21
On hire purchase agreements	4,471	6,294
	4,471	6,315

8 Taxation on profit on ordinary activities

(a) Analysis of tax charge in the year

	2012	2011
	£	£
Current tax		
Group relief payable	919,159	345,956
Adjustments in respect of prior years	82,039	200,000
Total current tax	1,001,198	545,956
Deferred tax		
Origination and reversal of timing differences	(95,958)	(49,084)
Adjustments in respect of prior years	(45,866)	5,091
Changes in tax rates and laws	16,928	6,468
Total deferred tax (note 13)	(124,896)	(37,525)
Tax on profit on ordinary activities	876,302	508,431

Endress + Hauser Limited

(b) Factors affecting tax charge in the year

The tax assessed for the period is higher (2011 higher) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2012 of 24.5% (2011 26.5%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before taxation	3,119,238	2,043,937
Profit on ordinary activities multiplied by the standard rate in the United Kingdom of 24.5% (2011 26.5%)	764,213	541,643
Effects of		
Expenses not deductible for tax purposes	58,970	55,969
Income not subject to tax	-	(100,739)
Difference between capital allowances and depreciation	91,742	46,021
Other timing differences	4,131	3,062
Utilisation of tax losses	103	-
Group relief claimed not paid	-	(200,000)
Adjustments in respect of prior years	82,039	200,000
Total current tax	1,001,198	545,956

c) Factors that may affect future tax charges

During the year, as a result of the changes in the UK corporation tax rate to 24%, which was substantially enacted on 26 March 2012 and was effective from 1 April 2012 and to 23%, which was substantially enacted on 3 July 2012 and will be effective from 1 April 2013. The relevant deferred tax balances have been remeasured.

A further reduction to the UK corporation tax rate has been announced. The change proposes to reduce the rate to 22% from 1 April 2014. The change had not been substantively enacted at the balance sheet date and, therefore, is not recognised in these financial statements.

Endress + Hauser Limited

9 Dividends

	2012 £	2011 £
Equity – Ordinary		
Final paid £6 25 (2011 £5 6125) per ordinary share	1,000,000	898,000

The directors have proposed a final dividend for the year ended 31 December 2012 of £9 375 per share which is a total of £1,500,000. This dividend has not been accounted for within the current year financial statements as it has yet to be approved.

10 Tangible assets

	Freehold land & buildings £	Plant and equipment £	Furniture, fixtures and fittings £	Computer and electronic equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2012	7,589,401	1,105,847	565,854	755,458	661,212	10,677,772
Additions	334,249	46,995	-	166,567	212,900	760,711
Disposals	-	(32,694)	-	(103,233)	(104,105)	(240,032)
At 31 December 2012	7,923,650	1,120,148	565,854	818,792	770,007	11,198,451
Accumulated depreciation						
At 1 January 2012	1,541,404	727,983	267,273	587,187	392,839	3,516,686
Charge for the year	184,518	67,169	56,176	103,108	156,655	567,626
Disposals	-	(30,414)	-	(103,233)	(104,104)	(237,751)
At 31 December 2012	1,725,922	764,738	323,449	587,062	445,390	3,846,561
Net book amount						
At 31 December 2012	6,197,728	355,410	242,405	231,730	324,617	7,351,890
At 31 December 2011	6,047,997	377,864	298,581	168,271	268,373	7,161,086

The net book amount of tangible fixed assets includes an amount of £208,399 (2011 £224,946) in respect of assets held under hire purchase contracts. All assets held under hire purchase contracts relate to motor vehicles.

There are no material differences between the market value and net book value of land and buildings.

Endress + Hauser Limited

11 Investments

	Total
Subsidiary undertakings	£
Cost	
At 1 January 2012 and 31 December 2012	541,407
Impairment	
At 1 January 2012 and 31 December 2012	(541,407)
Net book amount	
At 31 December 2012 and 31 December 2011	-

The company owns 100% of the ordinary share capital of Process & Scientific Instrument Services Limited, a dormant company registered in England and Wales. The aggregate share capital and reserves of this company at 31 December 2012 amounted to £18,634 (2011: £18,634).

The company also owns 100% of the ordinary share capital of Endress + Hauser Thermo Devices Limited, a dormant company registered in England and Wales. The aggregate share capital and reserves of this company at 31 December 2012 amounted to £119,702 (2011: £119,702).

The company also owns 100% of the ordinary share capital of Endress + Hauser Systems & Gauging Limited, a dormant company registered in England and Wales. The aggregate share capital and reserves of this company at 31 December 2012 amounted to £nil (2011: £nil).

All investments are fully written down.

12 Stocks

	2012	2011
	£	£
Raw materials and consumables	346,016	324,858
Work in progress	430,681	180,751
Finished goods held for resale	600,726	569,189
	1,377,423	1,074,798

Endress + Hauser Limited

13 Debtors

	2012	2011
	£	£
Trade debtors	6,156,402	6,586,302
Amounts owed by group undertakings	2,285,290	537,926
Other debtors	8,414	14,179
Prepayments and accrued income	224,466	198,499
Deferred tax asset	217,321	92,425
	8,891,893	7,429,331

Amounts owed by group undertakings are unsecured, interest free and have no fixed date for repayment

Deferred tax

	£
Asset at 1 January 2012	92,425
Credited to the profit and loss account (note 8)	124,896
Asset at 31 December 2012	217,321

Deferred tax asset recognised in the financial statements comprises

	2012	2011
	£	£
Unutilised losses		
Accelerated capital allowances	204,701	83,011
Short term timing differences	12,620	9,414
	217,321	92,425

Endress + Hauser Limited

14 Creditors: amounts falling due within one year

	2012	2011
	£	£
Obligations under hire purchase agreements	59,377	86,305
Trade creditors	984,613	902,964
Amounts owed to group undertakings	715,534	1,242,189
Taxation and social security	315,391	280,120
Other creditors	1,614	-
Accruals and deferred income	755,051	665,264
	2,831,580	3,176,842

Amounts owed to group undertakings are unsecured and are repayable on demand

15 Creditors: amounts falling due after more than one year

	2012	2011
	£	£
Obligations under hire purchase agreements	22,484	21,709

Obligations under hire purchase agreements are due as follows:

	2012	2011
	£	£
Gross payments due less future finance charges		
Within one year (note 14)	59,377	86,305
In more than one year but not more than five years	22,484	21,709
	81,861	108,014

Endress + Hauser Limited

16 Provisions for liabilities and charges

Warranty costs

	£
At 1 January 2012	315,884
Amounts utilised during the year	(176,846)
Unutilised amount reversed during the year	(139,038)
Provision made in the year	353,469
At 31 December 2012	353,469

The provision for warranty costs has been recognised for expected warranty claims arising on products sold during the financial year. It is expected that this expenditure will be incurred in the next financial year.

17 Called up share capital

	2012 £	2011 £
Authorised		
160,000 (2011: 160,000) ordinary shares of £1 each	160,000	160,000
Allotted and fully paid		
160,000 (2011: 160,000) ordinary shares of £1 each	160,000	160,000

18 Profit and loss account

	£
At 1 January 2012	13,503,522
Dividend paid	(1,000,000)
Profit for the financial year	2,242,936
At 31 December 2012	14,746,458

Endress + Hauser Limited

19 Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
Profit for the financial year	2,242,936	1,535,506
Dividends paid	(1,000,000)	(898,000)
Net change in shareholders' funds	1,242,936	637,506
Opening shareholders' funds	13,663,522	13,026,016
Closing shareholders' funds	14,906,458	13,663,522

20 Pensions

From 1 January 1993, the company has operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. Aggregate contributions payable in the year by the company to the staff pension scheme amounted to £429,826 (2011 £451,633).

21 Contingent liabilities

	2012	2011
	£	£
Performance bonds with recourse	157,605	134,772
H M Revenue and Customs guarantee with recourse	360,000	360,000
	517,605	494,772

Performance bonds with recourse relate to bank guarantees issued to customers against specific orders to cover performance, warranty and retentions. There has been no recent history of payment of these guarantees being demanded.

H M Revenue and Customs guarantee with recourse relates to a bank guarantee linked to the collection of import VAT and duty.

Endress + Hauser Limited

22 Financial commitments

At 31 December 2012, the company has annual commitments under non-cancellable operating leases expiring as follows

	2012	2011
	£	£
Land and buildings		
Within one year	-	2,387
Other		
Within two to five years	13,338	-
After five years	4,400	-

In addition, the company has an ongoing financial commitment of approximately £184,000 per annum as regards the use and operation of its Endress + Hauser Group computer software

23 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Endress + Hauser Investments Limited, a company incorporated in England

The company's ultimate parent company and largest and smallest group to consolidate these financial statements, is Endress + Hauser AG, a company incorporated in Switzerland. Copies of Endress + Hauser AG consolidated financial statements are available upon request from Endress + Hauser AG, Kägenstrasse 2, CH-4153 Remach/BL Switzerland

The ultimate controlling party is the Endress family trusts