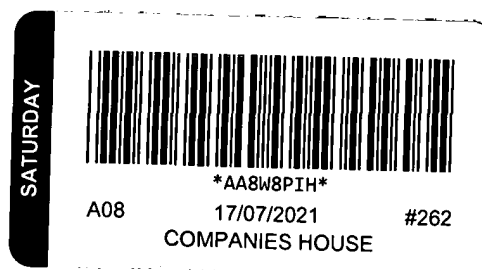


**Draeger Safety UK Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2020**

**Registered number 777464**



**Draeger Safety UK Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2020**  
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# Draeger Safety UK Limited

## Strategic report for the year ended 31 December 2020

The directors present their Strategic Report on the company for the year ended 31 December 2020.

### Results and dividends

The company results show revenue for the year of £130.1m (2019: £108.6m) and profit for the financial year of £9.9m (2019: £5.9m).

Investment in new production facility has led to an increase in tangible assets of £12.7m (2019: £1.9m increase).

No interim dividend was paid (2019: £1.45 per £1 ordinary share amounting to £11m). No final dividend was paid or recommended (2019: £nil).

### Key performance indicators (KPIs)

KPI	Definition & method of calculation	2020	2019
<b>Increase in turnover</b>	Year on year turnover growth expressed as a percentage	19.8%	4.3%
<b>Operating profit to turnover</b>	EBIT in year expressed as a percentage of turnover	9.2%	6.6%
<b>Return on capital employed</b>	EBIT as a percentage of net assets	27.1%	20.9%
<b>Employee turnover</b>	Number of employees in the year leaving to seek alternative employment expressed as a percentage of the average workforce in the year.	7.3%	10.3%

### Business environment

Global and UK trading conditions were obviously impacted significantly by the Covid-19 pandemic. Demand for certain products, in particular PPE, was very significantly increased; while demand for other product areas was sharply reduced as a result of lower economic activity across the global economy. The company continues to maintain the Draeger brand's well-established 125 year history and reputation for quality and technical excellence while developing innovative solutions focused on customer needs.

The Company continued to benefit from its diverse product portfolio and customer base and the company also invested heavily in additional production capacity to support the provision of PPE to key workers in the UK and the NHS in particular. This included the opening of an additional production facility for this product range in NE England.

CABE product continues to be strong especially in the Fire & Rescue Service market globally. The Oil & Gas sector has seen continued low activity as a result of the ongoing low oil price driven by the reduction in economic activity globally.

### Future development

Management continues to monitor the impacts of the United Kingdom's exit from the European Union transitional period at the end of 2020. The steps taken during 2020 to mitigate any risks from this and to adjust the Company's supply chains appear to have been sufficient to avoid any impact on customers of additional delays on importing into and exporting from the EU.

# **Draeger Safety UK Limited**

## **Strategic report for the year ended 31 December 2020 (*continued*)**

### **Future development (*continued*)**

Management will continue to monitor the trends in the UK and global markets and to adapt the organisation in order to meet our future targets.

### **Strategy**

Draeger's overriding objectives is to achieve attractive and sustainable rates of growth and returns, through a combination of organic growth and acquisitions.

The key elements to the company's strategy for growth are:

- Building a broad product range to meet customer needs and regulatory requirements;
- Investing in research, development and innovation to maintain competitive advantage;
- Investing in employee training and development in order to enhance staff retention allowing the company to exceed customer expectations in service and support.

### *Broad product range*

A broad product range is essential in order to compete in the Personal Protective Equipment market and the company is focussed on maintaining and updating its wide portfolio of products. A product pipeline is developed for each market segment looking forward at least five years. Significant investment has been made during the year in a production facility in the UK to supply customers in the UK and elsewhere.

### *Research, development and innovation*

The company regards the investment in research and development as integral to the continuing success of the business in order to meet customer needs and remain competitive and commits significant resources to these activities. Most of the investment in this area is concentrated on turning the product pipeline into marketable products. The Draeger Group has restated a strategic objective to maintain the current high level of investment in research and development.

### *Employee training and development*

The company believes the investment in training gives a competitive edge as without a fully educated and trained workforce we would not be able to maintain our position as a market and technology leader. Draeger has invested in onsite training and employees can access courses via a web-based training catalogue. The training covers all needs of all staff from basic computer skills to strategic management.

### **Principal risks and uncertainties**

#### *Competition*

The company operates in highly competitive well organised markets worldwide with customer focus on price, quality and product availability. This results not only in downward pressure on margins but also in increased customer expectations and the risk that we might not meet these. In order to mitigate this risk, we maintain close relationships with customers and seek their input into new product developments.

#### *Supply chain and cost competitiveness*

Our strategy is to work closely with key suppliers over the long term in order to develop innovative and cost competitive materials, components and finished products. This in itself exposes the company to reliance on these key suppliers. The company tries to mitigate this risk through effective supplier selection and procurement practices supplemented by appropriate insurance coverage.

# **Draeger Safety UK Limited**

## **Strategic report for the year ended 31 December 2020 *(continued)***

### **Principal risks and uncertainties *(continued)***

#### *Government spending worldwide*

Major customers include governments, military, fire services and other departments that are directly affected by government spending and other initiatives; this could have a significant impact on the business. In recent years governmental spending reductions have been shown to impact on our major markets. As governments worldwide continue to attempt to reduce fiscal deficits, the potential for government austerity measures is recognised. Business intelligence is the key to planning for these market swings and potential impacts.

#### *Covid-19*

Management continues to review the impact of the Covid-19 outbreak and the resulting measures implemented by the UK and global governments. These are expected to have a continued positive impact on the Company's results in the short term, with potential reduction in longer-term business as a result of reduced investment in several industries including Oil & Gas. Management will keep these impacts under review and will adjust the Company's activities and cost base accordingly. The Company has worked closely with its suppliers to ensure continuity of supply and meet customer demands. The Company's IT systems have proven resilient and have supported home-working for all employees where practical. Manufacturing and other activities requiring a physical presence on site have been maintained throughout, operating at all times in accordance with Covid-19 secure guidance from the Government and Public Health England. Where employees have been required to attend customer sites in order to support critical Safety equipment, the company has been able to provide appropriate PPE in line with PHE guidelines.

### **Corporate social responsibility**

The company takes regular account of the significance of social, environmental and ethical (SEE) matters. It has identified and assessed the significant risks to the company's short- and long-term value arising from SEE matters, as well as the opportunities to enhance value that may arise from an appropriate response. The Directors have received adequate information on the SEE-related risks and opportunities identified, and how they may impact the business, to make this assessment. The company has effective systems for managing significant risks which, where relevant, incorporate performance management systems and appropriate remuneration incentives.

### **s172 statement**

All Draeger companies and employees adhere to the Group's Guiding Philosophy "Technology for Life" and its four Strengths: Customer Intimacy; Employees; Innovation; and Quality. The Corporate Employee Handbook sets out the following framework for all actions and decisions: *"We treat our customers, colleagues, suppliers and sales partners professionally and reliably. Our actions influence the company. Therefore, each one of us is responsible for protecting and improving Dräger's reputation around the world."*

Accordingly the Company has implemented processes designed to ensure decisions align with these goals. In making decisions, the Directors consider the short- and long-term impact of those decisions on employees, customers and suppliers. Employee targets and incentives are aligned with this framework to ensure that decisions at all levels in the company take account of these factors. The Directors are not of the view that any decisions made in the current year represent such a change in strategic direction that they should be considered Principal decisions.

The Directors identify the Company's stakeholders as its shareholders, employees, customers, and suppliers. The impact on each stakeholder is considered during the process of making strategic decisions.

# **Draeger Safety UK Limited**

## **Strategic report for the year ended 31 December 2020 (*continued*)**

### **s172 statement (*continued*)**

The views of customers are carefully assessed. The Company receives feedback from customers both directly through daily interactions with the marketplace and through intermediaries. A sample of customers are routinely contacted on a structured basis following completion of a sale for specific feedback on the transaction. The resulting data, including 'Net Promoter Score' is regularly fed back to the Directors and wider company management; and consideration given to the feedback and comments received and resulting scores and trends.

Suppliers are assessed on a rolling schedule, depending on scale of the relationship and risk assessment for each supplier relationship. Feedback and comments are reported regularly to management.

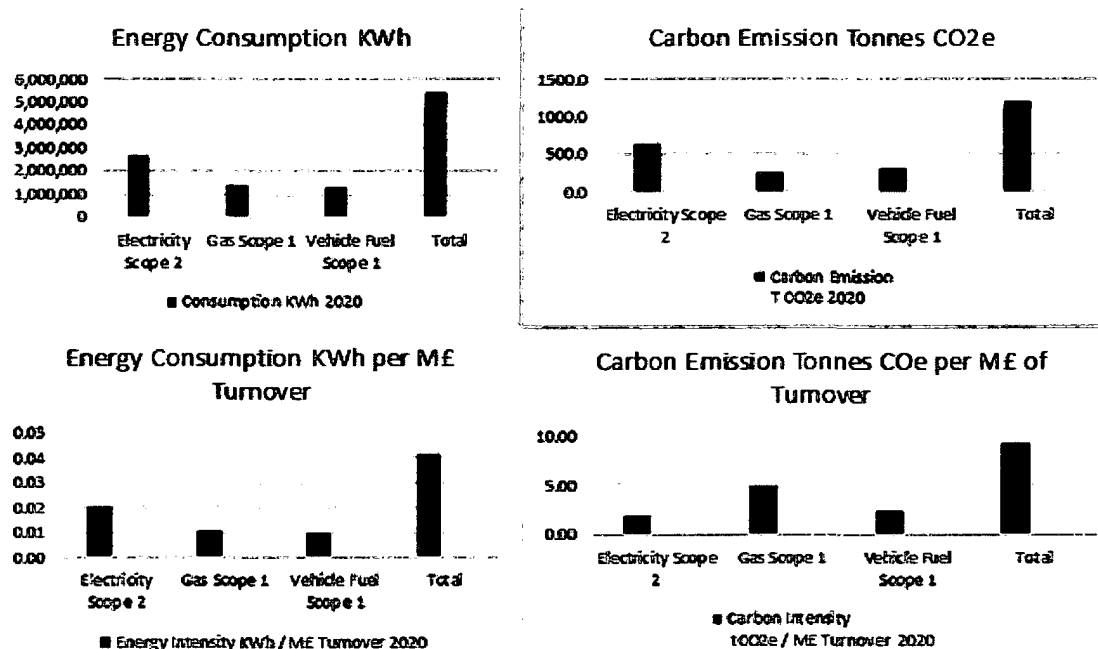
Significant effort is put into employee information and engagement. Regular 'All Employee Briefings' and a weekly 'Company Brief' are produced, including feedback about the results of the company and the main factors impacting its performance. It is common for major decisions affecting employees to be discussed and considered in advance by a group of employees with the resulting feedback provided to the Directors and management prior to final decision. Employee incentive schemes are linked directly to the performance of the company and/or achievement of specific targets; and these are aligned to the long-term goals of the company and the shareholder. Employees are provided with the necessary training required to be able to perform their role in accordance with the internal governance framework and external laws and regulations.

The reputation of the Company, the Draeger Group and the Dräger family are of paramount importance and there is an explicit expectation, communicated to all employees, that all decisions and behaviour will support and enhance that reputation, which is a source of pride and strength for the Company.

# Draeger Safety UK Limited

## Strategic report for the year ended 31 December 2020 (continued)

### Streamlined Energy & Carbon Report



Verification of Draeger Safety UK Limited's SECR data and reports have been carried out by Stephanie Monk, Carbon Consultant at EIC.

This report covers Draeger Safety UK Limited for financial year 1st January 2020 to 31st December 2020. Having considered various metrics within the business, we have concluded that Annual Turnover is the most appropriate to achieve a benchmark.

The organisation used 98.5% certified renewable electricity for the year's usage and has voluntarily declared this as reporting on renewable energy and associated emissions is not a mandatory requirement under the SECR legislation. For 2021 all Safety UK sites, leased or owned will be using 100% certified renewable electricity

UK energy use covers the organisational boundaries for the 2020 period for all Draeger Safety UK Limited manufacturing sites in Blyth, Gateshead and Plymouth, Warehousing in Blyth, Sales & Service activities in Blyth and Sales & Service Centre in Aberdeen. The vehicle fleet consists of 110 vehicles.

Draeger Safety UK Limited manufacture sell and service for the oil & gas and chemical industries, mining, firefighting and aid organizations, defence and security authorities, and the industrial sector. The Blyth site designs and manufactures compressed air breathing equipment and rescue and escape equipment, the Plymouth site manufactures open path gas detectors and the Gateshead site manufactures filtering face masks.

This report is aligned with the GHG protocol methodology and DEFRA 2020 emission factors have been applied. Associated Greenhouse gases have been calculated using 2020 UK Government GHG Conversion Factors (DEFRA). The Utility information was provided by our Utility Broker - Utility Alliance and is the gas

# **Draeger Safety UK Limited**

## **Strategic report for the year ended 31 December 2020 *(continued)***

### **Streamlined Energy & Carbon Report *(continued)***

and electricity consumption, the vehicle fleet fuel usage has been provided by the fuel card supplier and is the total amount of litres purchased. Fuel for transportation has been converted from litres used to KWh using the 2020 GHG conversion factors for gross calorific value litre / KWh of 10.58. All staff who use a fleet vehicle are issued with a fuel card. The estimated consumption for Blyth – Ennerdale Road from a previous utility supplier equates to under 2% of our carbon footprint has been estimated. No mandatory emissions have been excluded from this report.

During 2020 we took the following energy efficiency action:

- Replaced old compressors with new more efficient and economical to run compressors, which were listed on the ETL list (The Energy Technology List).
- Standardised vehicle fleet to 140gCO<sub>2</sub>/ Km and updated transport policy with the input of the fleet management company following Worldwide Harmonised Light Vehicle Test Procedure (WLTP) replacing the existing method of calculating CO<sub>2</sub> emissions, the New European Driving Cycle (NEDC).
- Replaced 4 outdoor A/C units with new economical equipment, operates approximately 100 hrs a week less than previous and uses between 16% and 30% less electricity.
- Replaced one CNC Sliding Head Lathe, Star SV38 running at 14 KWh and two Star SV32 machines using 11.5 KWh with Star SR32 next generation machines running at 9kw/h to reduce energy usage, oil and contaminates and reduce downtime maintenance cost (new machines are 1/3 faster cycle time and more reliable).
- Replaced outer doors of buildings 1 ,2 and 3 on Blyth site with aluminium doors with glazing comprising of 6 mm clear toughened outer, 12 mm argon filled cavity and 6.4 mm clear laminated low E inner.

Since 2013 baseline the Draeger UK and Ireland organisation has reduced the carbon footprint from 52.7 Kg CO<sub>2</sub>e per £1000 of turnover to 4.92 Kg CO<sub>2</sub>e per £1000. A reduction of 90.6%.

Approved and signed on behalf of the board

*Matthew Bedford*

Matthew Bedford

**Director**

25 May 2021



# **Draeger Safety UK Limited**

## **Directors' report for the year ended 31 December 2020**

The Directors presents his report and the audited financial statements of the company for the year ended 31 December 2020.

### **Principal activities**

The company's principal activities during the year were:

- The design, manufacture and supply of industrial respiratory protection equipment. Draeger Safety UK Limited supplies 100% of the group worldwide requirement of the compressed air breathing equipment (CABE) product range;
- The design, manufacture and supply of gas detection systems and equipment;
- Sales and marketing in the UK of Draeger Group safety products including those manufactured in other countries;
- The provision of safety training courses; and
- After sales service and support.

### **Directors**

The Directors of the company who served during the year and up to the date of signing the financial statements were:

Mr M A. Norris (resigned 31 March 2020)  
Mr A Wolters (appointed 31 March 2020, resigned 22 October 2020)  
Mr M Irving (appointed 22 October 2020)  
Mr M Bedford (appointed 22 October 2020)

### **Strategic report**

Dividends and future developments are disclosed within the Strategic report.

### **Qualifying third party indemnity provision**

For the purposes of the Companies Act 2006, a qualifying third party indemnity provision was in place for the directors of the company during the year and up to the date of signing the financial statements.

### **Financial risk management**

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and foreign exchange risk. These risks are monitored on a regular basis in order to limit any adverse effects on financial performance.

#### *Credit risk*

The company has implemented policies that require appropriate credit checks on potential customers before sales are made and the regular updating of customer credit ratings.

#### *Liquidity risk*

The company manages its working capital to minimise additional funding requirements. However, the company has access to group and external funds if required for ongoing operations and future investments.

#### *Foreign exchange risk*

The company is exposed to foreign exchange risk as a result of its operation and manages this risk via cash management activities carried out at a group level.

# **Draeger Safety UK Limited**

## **Directors' report for the year ended 31 December 2020 *(continued)***

### **Employment of disabled persons**

It is the company's policy to offer equal opportunity to disabled persons applying for vacancies having regard to their aptitudes and abilities in relation to the jobs for which they apply.

As far as possible arrangements are made to continue the employment of those employees who have become disabled persons during the course of their employment with the company. In all instances consideration will be given to arranging appropriate training facilities or providing special aids where necessary. It is the company's policy to provide disabled persons with the same opportunities for training, career development and promotion that are available to all employees within the limitation of their aptitude and abilities.

### **Employee involvement**

The company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, as achieving a common awareness of the financial and economic factors affecting the company plays a major role in aligning the efforts of all employees.

### **Statement of directors' responsibilities**

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

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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

- Under company law the directors must not approve the financial statements unless he is 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;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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.

# **Draeger Safety UK Limited**

## **Directors' report for the year ended 31 December 2020 (*continued*)**

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

In the case of the directors in office at the time when the report is approved, the following applies:

- As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves 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.

Approved and signed on behalf of the board:

*Matthew Bedford*

Matthew Bedford

**Director**

25 May 2021

# **Draeger Safety UK Limited**

## **Independent auditors' report to the members of Draeger Safety UK Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Draeger Safety UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2020; the income statement, the statement of comprehensive income and the statement of changes in equity for the year then ended; the statement of accounting policies; and the notes to the financial statements.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

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 of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

# **Draeger Safety UK Limited**

## **Independent auditors' report to the members of Draeger Safety UK Limited (*continued*)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### **Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **Draeger Safety UK Limited**

## **Independent auditors' report to the members of Draeger Safety UK Limited (continued)**

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax and companies legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or increase

the company's EBITDA, or through management bias in manipulation of accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws, regulations and fraud;
- Review of board minutes;
- Review of legal expenditure in the year to identify potential non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to assumptions made in impairment of trade receivables, useful economic lives of property, plant and equipment, assessing the provision on inventory and consideration of the impact of COVID-19 on going concern;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

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.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

# **Draeger Safety UK Limited**

## **Independent auditors' report to the members of Draeger Safety UK Limited (*continued*)**

We have no exceptions to report arising from this responsibility.



Nicholas Cook (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle  
25 May 2021

## Draeger Safety UK Limited

### Income statement for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
<b>Revenue</b>	1	<b>130,112</b>	108,612
Cost of sales		(93,603)	(78,481)
<b>Gross profit</b>		<b>36,509</b>	30,131
Distribution costs		(11,681)	(11,065)
Administrative expenses		(12,873)	(11,890)
<b>Operating profit</b>	2	<b>11,955</b>	7,176
Finance income	3	1	1
Finance expenses	4	(390)	(325)
<b>Profit before taxation</b>		<b>11,566</b>	6,852
Tax on profit	8	(1,686)	(918)
<b>Profit for the financial year</b>		<b>9,880</b>	5,934

All operations of the company are continuing.



## **Draeger Safety UK Limited**

### **Statement of comprehensive income for the year ended 31 December 2020**

	2020	2019
	£'000	£'000
<b>Profit for the financial year</b>	<b>9,880</b>	<b>5,934</b>
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>9,880</b>	<b>5,934</b>

# Draeger Safety UK Limited

## Statement of financial position as at 31 December 2020

	Note	31 December 2020 £'000	31 December 2019 £'000
<b>Fixed assets</b>			
Intangible assets	10	120	143
Tangible assets	11	31,200	18,478
Right-of-use assets	12	2,814	1,399
		<b>34,134</b>	<b>20,020</b>
<b>Current assets</b>			
Inventories	13	22,278	19,911
Debtors	14	40,644	29,280
Cash at bank and in hand		6,406	387
		<b>69,328</b>	<b>49,578</b>
Creditors: amounts falling due within one year	15	(56,379)	(33,877)
Lease liabilities falling due within one year	16	(807)	(598)
<b>Net current assets</b>		<b>12,142</b>	<b>15,103</b>
<b>Total assets less current liabilities</b>		<b>46,276</b>	<b>35,123</b>
<b>Lease liabilities falling due after more than one year</b>	16	<b>(2,094)</b>	<b>(821)</b>
<b>Net assets</b>		<b>44,182</b>	<b>34,302</b>
<b>Capital and reserves</b>			
Called up share capital	17	7,589	7,589
Retained Earnings		36,593	26,713
<b>Total shareholders' funds</b>		<b>44,182</b>	<b>34,302</b>

The financial statements on pages 14 to 33 were approved by the Board of Directors and signed on its behalf on 25 May 2021:

*Matthew Bedford*

Matthew Bedford  
Director

Draeger Safety UK Limited  
Registered in England number 777464

## Draeger Safety UK Limited

### Statement of changes in equity for the year ended 31 December 2020

		Called-up share capital	Retained earnings	Total shareholders' funds
	Note	£'000	£'000	£'000
<b>Balance as at 1 January 2019</b>		<b>7,589</b>	<b>31,779</b>	<b>39,368</b>
Profit for the financial year		-	5,934	5,934
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	5,934	5,934
Dividends	7	-	(11,000)	(11,000)
<b>Balance as at 31 December 2019</b>		<b>7,589</b>	<b>26,713</b>	<b>34,302</b>
<b>Balance as at 1 January 2020</b>		<b>7,589</b>	<b>26,713</b>	<b>34,302</b>
Profit for the financial year		-	9,880	9,880
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	9,880	9,880
Dividends	7	-	-	-
<b>Balance as at 31 December 2020</b>		<b>7,589</b>	<b>36,593</b>	<b>44,182</b>

# Draeger Safety UK Limited

## Statement of accounting policies

### General information

The company is a private company limited by shares and is incorporated and domiciled in England, United Kingdom. The address of the registered company is Ullswater Close, Blyth Riverside Business Park, Blyth, Northumberland, NE24 4RG.

### Basis of preparation

The financial statements of Draeger Safety UK Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 as applicable to FRS 101. The financial statements have been prepared under the historical cost convention. The accounting policies have been applied consistently.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, plant and equipment; and
  - paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows);
  - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  - statement of compliance with all IFRS;
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

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

# **Draeger Safety UK Limited**

## **Statement of accounting policies (continued)**

### **Going concern**

The company meets its day-to-day working capital requirements through its cash reserves and intercompany borrowings. The company's forecasts and projections, taking into account reasonable possible changes in trading performance, show that the company should be able to operate within the level of its current cash and reserves. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and therefore continues to adopt the going concern basis in preparing its financial statements.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed below.

### **Revenue**

Revenue, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied by the company in the ordinary course of business. Revenue is recognised when the goods are despatched to the customer, and when the service is supplied. Where income is received from customers in respect of goods or services to be supplied in the future, this gives rise to deferred income.

### **Intangible fixed assets**

Intangible 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.

Amortisation is provided on the cost of intangible fixed assets on a straight-line basis at the following rates, which are calculated to write off each asset over its estimated useful life:

Software        -     25% per annum

### **Property plant and equipment**

Property plant and equipment are stated at historical cost less accumulated depreciation. In the case of leased assets cost comprises purchase price or standard manufacturing costs. For other tangible fixed assets, 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 calculated to write off the cost of assets, less their residual values, over their expected lives using the straight line basis.

The following rates are used:

Freehold land	- nil
Freehold buildings	- 2% per annum
Plant, equipment and motor vehicles	- 10% - 33% per annum
Assets in course of construction	- nil

# **Draeger Safety UK Limited**

## **Statement of accounting policies (continued)**

### **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### *Lease liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### *Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases of plant and machinery (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

# **Draeger Safety UK Limited**

## **Statement of accounting policies (continued)**

### **Inventory**

Inventory is stated at the lower of cost (including works overheads in the case of own manufactured goods) and net realisable value, determined on a FIFO basis. Where necessary provision is made for obsolete, slow moving and defective stocks.

### **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 which are denominated in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All exchange differences have been taken to the income statement.

### **Research and development**

Research and development expenditure is written off to the income statement as it is incurred.

### **Warranty provisions**

Provision is made for expected future costs in respect of warranties given on goods sold, based upon evidence of claims. Provisions are recognised when the company has a present obligation as the result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **Pensions**

Pension contributions to defined contribution arrangements are charged to the income statement in the year in respect of which they are payable.

### **Cash flow**

The company is a wholly-owned subsidiary company of a Group headed by Drägerwerk AG & Co KGaA and is included in the consolidated financial statements of that company. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of IAS 7 'Statement of cash flows'.

### **Trade receivables**

Trade receivables are non-interest-bearing and are recognised initially at fair value, and subsequently at amortised cost using the effective interest rate method, less provision for impairment.

# **Draeger Safety UK Limited**

## **Statement of accounting policies (continued)**

### **Trade payables**

Trade payables are non-interest-bearing and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand and deposits held at call with banks. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

### **Critical judgements assumptions and estimates**

Application of certain company accounting policies requires management to make judgements, assumptions and estimates concerning the future as detailed below:

#### **(a) *Useful economic lives of property, plant and equipment***

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and above for the useful economic lives for each class of assets.

#### **(b) *Inventory provisioning***

The company designs, manufactures and sells equipment and is subject to changing consumer demands. As a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 13 for the net carrying amount of the inventory and associated provision.

#### **(c) *Impairment of trade receivables***

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. See note 14 for the net carrying amount of the receivables and associated impairment provision.



# **Draeger Safety UK Limited**

## **Notes to the financial statements for the year ended 31 December 2020**

### **1 Revenue**

Analysis of revenue by destination:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	<b>51,951</b>	33,425
Europe	<b>62,519</b>	59,539
Rest of World	<b>15,642</b>	15,648
	<b>130,112</b>	108,612

Analysis of revenue by business segment:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Sales to third parties	<b>56,852</b>	40,426
Sales to Draeger affiliates	<b>73,260</b>	68,186
	<b>130,112</b>	108,612

# **Draeger Safety UK Limited**

## **Notes to the financial statements for the year ended 31 December 2020 (continued)**

### **2 Operating profit**

The operating profit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Foreign exchange losses	<b>82</b>	113
Depreciation of tangible fixed assets	<b>3,482</b>	2,921
Depreciation of right-of-use assets	<b>815</b>	538
Amortisation of intangible fixed assets	<b>59</b>	53
Research and development costs	<b>8,204</b>	7,259
Auditors' remuneration		
Audit	<b>41</b>	41

### **3 Finance income**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Interest receivable from Group undertakings	<b>1</b>	-
Interest receivable from third parties	<b>-</b>	1
	<b>1</b>	1

### **4 Finance expenses**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable to Group undertakings	<b>314</b>	276
Other interest payable	<b>76</b>	49
	<b>390</b>	325

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 5 Staff costs

	2020	2019
	£'000	£'000
Wages and salaries	21,758	19,535
Social security costs	2,454	1,893
Other pension costs (note 19)	1,244	1,169
	<b>25,456</b>	<b>22,597</b>

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

	2020	2019
	Number	Number
Office and management	55	54
Selling, distribution and servicing	201	188
Manufacturing	187	172
Research and development	77	72
	<b>520</b>	<b>486</b>

### 6 Directors' emoluments

	2020	2019
	£'000	£'000
<b>Directors'</b>		
Aggregate emoluments	525	206
Company contributions paid to money purchase schemes	39	26
	<b>564</b>	<b>232</b>

Aggregate emoluments for the year relate to remuneration for three executive directors (2019: one). Three directors (2019: one) had benefits accruing under money purchase pension schemes. No directors (2019: nil) holds any share options. £65,000 was paid for loss of office (2019: nil). M A. Norris was the highest paid director: £185,000 (2019: £232,000).

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 7 Dividends

	2020	2019
	£'000	£'000
Interim dividend paid: £0.00 (2019: £1.45) per £1 ordinary share	-	11,000
Final dividend paid: £0.00 (2019: £0.00) per £1 ordinary share	-	-
	-	11,000

No final dividend is proposed (2019: nil)

### 8 Tax on profit

	2020	2019
	£'000	£'000
<b>Current tax</b>		
UK corporation tax on profits of the year	1,803	933
Adjustments in respect of prior years	-	35
Total current tax	1,803	968
<b>Deferred tax</b>		
Origination and reversal of timing differences	(117)	(50)
Total deferred tax (note 9)	(117)	(50)
<b>Tax on profit</b>	<b>1,686</b>	<b>918</b>

## Draeger Safety UK Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 8 Tax on profit (continued)

##### Factors affecting current tax charges

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax 19% (2019 19%) in the UK for the year ended 31 December 2020. The differences are explained below:

	2020	2019
	£'000	£'000
<b>Profit before taxation</b>	<b>11,566</b>	<b>6,852</b>
Profit before taxation multiplied by standard rate of corporation tax in the UK of 2020 19% (2019 19%)	2,197	1,302
Effects of:		
Expenses not deductible for tax purposes	59	20
R&D Tax Credits	(570)	(439)
Adjustments in respect of prior years – current tax	-	35
<b>Total tax charge</b>	<b>1,686</b>	<b>918</b>

##### Factors affecting and future tax charges

The standard rate of corporation tax in the UK reduced from 20% to 19% with effect from 1 April 2019. Accordingly, the Company's profits for the accounting year are taxed at a rate of 19% (2019: 19%). The standard rate of corporation tax rate in the UK will increase to 25% with effect from 1 April 2023.

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 9 Deferred tax

An analysis of deferred tax is set out below:

	2020	2019
	£'000	£'000
Brought forward balance	244	194
Income statement	117	50
Accelerated capital allowances	361	244

### 10 Intangible assets

	Software	Total
	£'000	£'000
<b>Cost</b>		
At 1 January 2020	523	523
Additions	31	31
Transfers from Assets in Course of Construction	5	5
Disposals	-	-
<b>At 31 December 2020</b>	<b>559</b>	<b>559</b>
<b>Accumulated amortisation</b>		
At 1 January 2020	(380)	(380)
Amortisation	(59)	(59)
Disposals	-	-
<b>At 31 December 2020</b>	<b>(439)</b>	<b>(439)</b>
<b>Net book amount</b>		
As at 31 December 2019	143	143
<b>At 31 December 2020</b>	<b>120</b>	<b>120</b>

Intangible assets amortisation is recorded in cost of sales and expenses in the income statement as appropriate.

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 11 Tangible assets

	Freehold land and buildings £'000	Plant and equipment £'000	Assets in course of construction £'000	Total £'000
<b>Cost</b>				
At 1 January 2020	14,724	23,829	2,880	41,433
Additions	650	9,361	6,235	16,246
Transfers from Assets in Course of Construction	251	1,060	(1,311)	(0)
Disposals	-	(522)	-	(522)
<b>At 31 December 2020</b>	<b>15,625</b>	<b>33,728</b>	<b>7,804</b>	<b>57,157</b>
<b>Accumulated depreciation</b>				
At 1 January 2020	(6,386)	(16,569)	-	(22,955)
Charge for the year	(701)	(2,781)	-	(3,482)
Disposals	-	480	-	480
<b>At 31 December 2020</b>	<b>(7,087)</b>	<b>(18,870)</b>	<b>-</b>	<b>(25,957)</b>
<b>Net book amount</b>				
<b>At 31 December 2020</b>	<b>8,538</b>	<b>14,858</b>	<b>7,804</b>	<b>31,200</b>
At 31 December 2019	8,338	7,260	2,880	18,478

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 12 Right-of-use assets

	2019 Land and buildings £'000	2019 Other & vehicles £'000	2019 Total £'000
Restated opening balances	484	638	1,122
Acquisitions	256	603	859
Disposals	(20)	(24)	(44)
Depreciation	(171)	(367)	(538)
<b>At December 2019</b>	<b>549</b>	<b>850</b>	<b>1,399</b>

	2020 Land and buildings £'000	2020 Other & vehicles £'000	2020 Total £'000
At 1 January 2020	549	850	1,399
Acquisitions	1,348	893	2,241
Disposals	-	(11)	(11)
Depreciation	(242)	(573)	(815)
<b>At December 2020</b>	<b>1,655</b>	<b>1,159</b>	<b>2,814</b>

### 13 Inventories

	31 December 2020 £'000	31 December 2019 £'000
Raw materials	9,226	8,182
Work in progress	2,685	2,144
Finished goods and goods for resale	10,367	9,585
	<b>22,278</b>	<b>19,911</b>

The total cost of Inventories recognised as an expense and included in "Cost of Sales" amounted to £69,362,000 (2019: £58,808,000).



# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### *Inventories (continued)*

The carrying amount of inventories is stated after provision for impairment of £3,989,000 (2019: £1,648,000). The amount of write-down in the year was £1,202,000 (2019: £1,008,000) and reversals of write-downs in the year were £328,000 (2019: £692,000).

## 14 Debtors

	31 December 2020	31 December 2019
	£'000	£'000
Trade debtors	20,430	6,751
Amounts owed by group undertakings	17,171	19,661
Corporation tax	1,186	1,044
VAT & other taxation	-	789
Deferred taxation (note 9)	361	244
Other debtors	761	455
Prepayments	735	336
	<b>40,644</b>	<b>29,280</b>

Amounts owed by group undertakings in respect of trading balances are interest-free if paid within agreed terms, whilst all other balances owed by group undertakings incur interest charges on an arm's length basis. All balances are unsecured and repayable on demand.

Receivables are stated after provision for impairment of £26,000 (2019: £138,000).

## 15 Creditors: amounts falling due within one year

	31 December 2020	31 December 2019
	£'000	£'000
Trade creditors	12,631	6,736
Amounts owed to group undertakings	34,691	20,542
Deferred income	1,040	1,163
Other creditors	728	321
Accruals	7,289	5,115
	<b>56,379</b>	<b>33,877</b>

# Draeger Safety UK Limited

## Notes to the financial statements for the year ended 31 December 2020 (continued)

Amounts owed to group undertakings in respect of trading balances are interest free if paid within agreed terms, whilst all other balances owed to group undertakings incur interest charges on an arm's length basis. All balances are unsecured and repayable on demand.

### 16 Lease liabilities

	31 December 2020 £'000	31 December 2019 £'000
Current liability	807	598
Non current liability	2,094	821
	<b>2,901</b>	<b>1,419</b>

The ageing is broken down as follows:

	31 December 2020 £'000	31 December 2019 £'000
Liability <1 year	807	598
Liability >1 – 2 years	634	452
Liability <2 – 5 years	1,460	369
	<b>2,901</b>	<b>1,419</b>

### 17 Called up share capital

	31 December 2020 £'000	31 December 2019 £'000
<b>Authorised</b>		
15,714,000 (2019: 15,714,000) ordinary shares of £1 each	<b>15,714</b>	<b>15,714</b>
<b>Allotted and fully paid</b>		
7,589,000 (2019: 7,589,000) ordinary shares of £1 each	<b>7,589</b>	<b>7,589</b>

# **Draeger Safety UK Limited**

## **Notes to the financial statements for the year ended 31 December 2020 (continued)**

### **18 Capital commitments**

	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>£'000</b>	<b>£'000</b>
Capital expenditure authorised and contracted for	<b>2,643</b>	<b>1,874</b>

### **19 Pension commitments**

The pension cost charge for 2020 represents contributions payable by the company to the group personal pension plan during the year and amounts to £1,244,000 (2019: £1,169,000). Contributions were made in accordance to the rules of the scheme and all contributions due were paid in the year.

### **20 Contingent liabilities**

As at 31 December 2020 there were outstanding bank guarantees in place that amounted to £1,712,000 (2019: £1,775,000).

### **21 Related party transactions**

The company has taken advantage of the exemptions available under paragraph 8(k) of FRS101 "Related party disclosures" and has not disclosed transactions between group companies. This is on the grounds that it is a wholly-owned subsidiary of a group headed by Drägerwerk AG & Co KGaA whose financial statements are publicly available.

### **22 Ultimate parent undertaking and controlling party**

The immediate parent undertaking is Dräger Safety AG & Co KGaA. The ultimate parent undertaking and controlling party is Drägerwerk AG & Co KGaA, incorporated in Germany.

Drägerwerk AG & Co KGaA is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2020. The consolidated financial statements of Drägerwerk AG & Co KGaA are available from Drägerwerk AG & Co KGaA, Moislinger Allee 53/55, 23541 Lubeck, Germany.

Dräger Safety AG & Co KGaA is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statement of Dräger Safety AG & Co KGaA can be obtained from Drägerwerk AG & Co KGaA, Moislinger Allee 53/55, 23541 Lubeck, Germany.