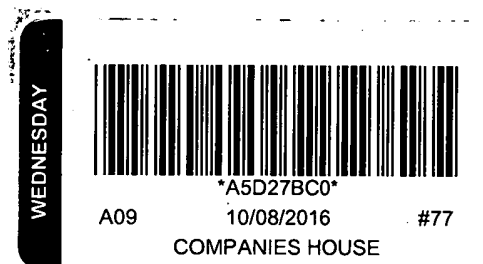


# Controls Direct Limited

Annual report and financial  
statements

Registered number 04213327

For the period 12 July 2014 to  
31 December 2015



## Contents

Directors' report	3
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	4
Independent auditor's report to the members of Controls Direct Limited	5
Profit and Loss Account and Other Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes	9

## Directors' report

The directors present their report and financial statements for the period ended 31 December 2015.

### Principal activities

The principal activity of the company is that of an investment holding company.

### Dividend

Dividends paid during the period comprise a final dividend of £800,000 (£2.35 per share), (*period ended 11 July 2014: £nil*).

### Business review

The directors consider that the results for the period and the financial position at the end of the period were satisfactory.

### Principal risks and uncertainties

The key business risks and uncertainties facing the company (via its investment) are considered to be continued investment in the manufacturing and engineering sectors, the impact of government legislation and the state of the wider economic climate.

### Directors

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

L D Boardman

T H Roberts

D A Younie (appointed 1 May 2015)

C A Jewell (appointed 11 January 2016)

J Stynes (resigned 6 January 2016)

P Murray (resigned 31 December 2014)

J G Heiken (resigned 28 February 2015)

### Accounting reference date

During the period the company changed its accounting reference date to 31 December to be coterminous with that of its parent company and that of the wider TT Electronics plc Group.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Hawsons Chartered Accountants resigned as auditors during the period and KPMG LLP were appointed.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

  
**L D Boardman**  
Secretary

REGISTERED OFFICE:  
Clive House  
12-18 Queens Road  
Weybridge  
Surrey  
KT13 9XB  
United Kingdom

16 June 2016

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent auditor's report to the members of Controls Direct Limited**

We have audited the financial statements of Controls Direct Limited for the period ended 31 December 2015 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **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 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with UK 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.

### **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
- the directors were not entitled to not prepare a strategic report, in accordance with the small companies regime; or
- we have not received all the information and explanations we require for our audit.

  
**Mark Flahagan (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

29 July 2016

**Profit and Loss Account and Other Comprehensive Income**  
*for the period 12 July 2014 to 31 December 2015*

£000	Note	12.07.2014 to 31.12.2015	1.07.2013 to 11.07.2014
<b>Operating profit</b>		-	-
Income from shares in Group undertakings		800	-
<b>Profit on ordinary activities before taxation</b>		<u>800</u>	<u>-</u>
Tax on loss on ordinary activities	2	-	-
<b>Profit for the financial period</b>		<u>800</u>	<u>-</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<u>800</u>	<u>-</u>

As an investment holding company the company did not trade in the period.

All activities of the company are classed as continuing.

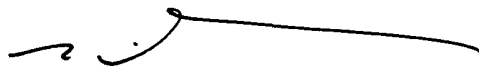
There is no difference between the profit for the financial period and its historic cost equivalent.

**Balance Sheet**  
*at 31 December 2015*

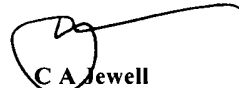
£000	Note	31.12.2015	11.07.2014
<b>Fixed assets</b>			
Investments	3	6,955	6,955
<b>Creditors: amounts falling due within one year</b>	4	(5,884)	(5,884)
<b>Net Current Liabilities</b>		(5,884)	(5,884)
<b>Net assets</b>		1,071	1,071
<b>Capital and reserves</b>			
Called-up equity share capital	5	3	3
Capital redemption reserve		215	215
Profit and loss account		853	853
<b>Shareholder funds</b>		1,071	1,071

Notes from pages 9 to 13 form part of the financial statements.

These financial statements were approved by the board of directors on 16 June 2016 and were signed on its behalf by:



**L D Boardman**  
Director  
Company registered number: 04213327



**C A Jewell**  
Director  
Company registered number: 04213327

## Statement of Changes in Equity

£000	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
Balance at 1 July 2013	3	215	853	1,071
<b>Total comprehensive income for the period</b>				
Profit or loss	-	-	-	-
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-
Dividends paid to equity holders of the company	-	-	-	-
<b>Balance at 11 July 2014</b>	<b>3</b>	<b>215</b>	<b>853</b>	<b>1,071</b>

£000	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
Balance at 12 July 2014	3	215	853	1,071
<b>Total comprehensive income for the period</b>				
Profit or loss	-	-	800	800
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	800	800
Dividends paid to equity holders of the company	-	-	(800)	(800)
<b>Balance at 31 December 2015</b>	<b>3</b>	<b>215</b>	<b>853</b>	<b>1,071</b>



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Controls Direct Ltd (the "Company") is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2014 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("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.

In these financial statements, the company has early adopted FRS 101 and applied FRS101 for the first time.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and performance of the company is provided in note 10.

IFRS 1 grants certain exemptions from the full requirements of Adopted IFRSs in the transition period. The following exemption has been taken in these financial statements:

- Business combinations - Business combinations that took place prior to 1 July 2013 have not been restated.

The Company's ultimate parent undertaking, TT Electronics Plc includes the Company in its consolidated financial statements. The consolidated financial statements of TT Electronics Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Clive House, 12-18 Queens Road, Weybridge, Surrey, KT13 9XB.

In these financial statements, where applicable, the company has applied the exemptions available under FRS 101 in respect of the following disclosures;

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

## Notes (continued)

### 1 Accounting policies (continued)

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 July 2013 for the purposes of the transition to FRS 101.

No judgements made by the directors in the application of these accounting policies have a significant effect on the financial statements and there are no estimates with a significant risk of material adjustment in the next year.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

In determining whether the company's 2015 financial statements can be prepared on a going concern basis, the directors considered all factors likely to affect its future development, performance and its financial position, including uncertainties relating to its current liabilities of £5,884,000 (11 July 2014: £5,884,000). The directors have also considered the support received from its ultimate parent company, TT Electronics plc. Having assessed these factors the directors continue to adopt the going concern basis in preparing the financial statements.

#### 1.3 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

##### Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### 1.4 Impairment excluding stocks, investment properties and deferred tax assets

##### Non-financial assets

The carrying amounts of the Company's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.5 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### 1.6 Taxation

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## Notes (continued)

### 2 Taxation

#### Recognised in the profit and loss account and other comprehensive income

£000	12.07.2014 to 31.12.2015	1.07.2013 to 31.12.2014
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Total current tax	-	-
<i>Deferred tax</i>		
Total deferred tax	-	-
Total tax expense	-	-
£000	12.07.2014 to 31.12.2015	1.07.2013 to 31.12.2014
<i>Reconciliation of effective tax rate</i>		
Profit for the period	800	-
Total tax expense	-	-
Profit excluding taxation	800	-
Tax using the UK corporation tax rate of 20.49% (2014: 22.09%)	164	-
Tax exempt income	(164)	-
Total tax expense	-	-

### 3 Investments held as fixed assets

£000	Shares in group undertakings
<b>Cost</b>	
At 11 July 2014	6,963
Additions	-
At 31 December 2015	6,963
<b>Provision for impairment</b>	
At 11 July 2014	(8)
Charged for the year	-
At 31 December 2015	(8)
<b>Net book value</b>	
At 11 July 2014 and 31 December 2015	6,955

## Notes (continued)

### Details of undertakings

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

Undertaking	Holding	Country of registration	Proportion held by company	Principal Activity	Proportion held by group
Roxspur Measurement & Control Ltd	Ordinary shares	United Kingdom	100%	Manufacture and sale of temperature, flow, pressure and level measuring instruments and associated equipment	100%
Nulectrohms Ltd	Ordinary shares	United Kingdom	0%	Dormant	100%
Sensit Ltd	Ordinary shares	United Kingdom	0%	Dormant	100%
The Brearley Group Ltd	Ordinary shares	United Kingdom	0%	Dormant	100%

### 4 Creditors: Amounts falling due within one year

£000	31.12.2015	11.07.2014
Amounts owing to Group undertaking	5,884	5,884

### 5 Share capital and reserves

	No.	31.12.2015 £000	No.	11.07.2014 £000
<b>Allotted, called up and fully paid:</b>				
Ordinary shares of £0.01 each	340,000	3	340,000	3

### 6 Dividends

£000	12.07.2014 to 31.12.2015	1.07.2013 to 11.07.2014
<i>The following dividends were recognised during the period:</i>		
£2.35 (2014: £nil) per qualifying ordinary share	800	-

### 7 Related party transactions

The company has taken advantage of the exemption available under FRS 101 and has not disclosed transactions with companies that are wholly owned TT Electronics plc subsidiaries.

### 8 Capital Commitments

The directors have confirmed that there were no capital commitments at 31 December 2015 or 11 July 2014.

### 9 Ultimate parent company

AB Electronic Products Group Ltd is the company's controlling party by virtue of its 100 % interest in the company.

The company's ultimate controlling party and ultimate parent undertaking is TT Electronics Plc which is registered in England and Wales.

**Notes** *(continued)*

**10 Copies of the TT Electronics Plc financial statements can be obtained from the registered office at Clive House, 12-18 Queens Road, Weybridge, Surrey, KT13 9XB. Explanation of transition to FRS 101**

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the period ended 31 December 2015, the comparative information presented in these financial statements for the period ended 11 July 2014 and in the preparation of an opening FRS 101 balance sheet at 1 July 2013 (the Company's date of transition).

In preparing its FRS 101 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the Company's financial position and financial performance is set out below.

*Notes to the reconciliation of equity*

There are no measurement and recognition adjustments to equity in the transition to FRS 101.