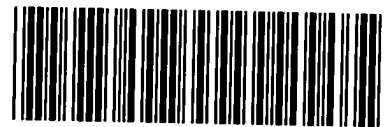


Company Registration No. 04220056 (England and Wales)

**SOLARTRON METROLOGY LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

THURSDAY



\*AC9M885R\*

A12

10/08/2023

#42

COMPANIES HOUSE

# SOLARTRON METROLOGY LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	B P Wilson P Zetti C Howarth (Appointed 8 August 2022)
<b>Secretary</b>	L Carino
<b>Company number</b>	04220056
<b>Registered office</b>	2 New Star Road Leicester LE4 9JD
<b>Auditors</b>	Ernst & Young LLP Grosvenor House Grosvenor Square Southampton S015 2BE
<b>Business address</b>	Steyning Way Southern Cross Industrial Estate Bognor Regis West Sussex PO22 9ST

---

# SOLARTRON METROLOGY LIMITED

## CONTENTS

---

	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 10
Income statement	11
<i>Statement of comprehensive income</i>	12
Statement of financial position	13
Statement of changes in equity	14
Notes to the financial statements	15 - 30

---

# SOLARTRON METROLOGY LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report for the year ended 31 December 2022.

#### Review of the business

The company's key financial indicators for the year were as follows:

	2022	2021	Change
	£'000	£'000	%
Turnover	24,500	22,566	8.57
Operating profit	7,233	6,121	18.17
Operating profit as a % of sales	29.52%	27.12%	
Net current assets	5,071	3,930	29.03
Total equity	8,060	6,994	15.24

2022 results showed a 8.57% increase in sales revenue as the global economy stabilised following the 2020 pandemic impact. Operating profit increased to 29.52%, with ongoing cost reductions generating improved levels of margin.

The company has a wide range of niche products, for which demand remains strong. Our specialist expertise and broad portfolio of products drives demand for both these specialist products and also pulls through sales of pencil probes and electronics.

#### Covid-19 Impact

The post Covid recovery has taken sales back to the levels experienced before the pandemic, and cost reductions made during the prior years have largely remained in place during the recovery. The company continues to review Covid risks related to sales globally. Risks to manufacturing capacity and the company's staff are monitored on a regular basis.

#### Principal risks and uncertainties

The company operates in a competitive global environment. Customers can switch to competitor products if they judge that the competitor product offers better value. We continue to focus on the quality and reliability of our products to give good value over the product life and to monitor competitor activity to maintain our competitiveness.

The company is impacted by exchange fluctuations, especially of the Euro and US Dollar, but we continue to mitigate this as far as possible by increasing the proportion of purchases made in these currencies to reduce our overall exposure.

In addition, the directors have also considered the specific new risks arising from the Covid-19 pandemic and Russian invasion of Ukraine, such as customer and supply chain interruption.

#### Financial risk management

The company's principal financial instruments comprise trade debtor, trade creditor and inter-company balances. The company does not enter into derivative transactions and it is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the company's financial instruments is foreign currency risk. The company has translational currency exposures arising from sales and purchases in foreign currencies. It is AMETEK Group policy not to hedge against foreign currency transactions and balances in subsidiary operations.

# SOLARTRON METROLOGY LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

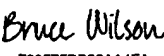
---

#### S172(1) statement

The Directors promote the success of the company for the benefit of the sole shareholder and that of the shareholders of its ultimate parent (AMETEK Inc) while taking into account, amongst other matters, the following:

- Long-term consequences – by preparing 5-year strategic plans as well as short term forecasts, all of which are discussed with and approved by Divisional and Group Management
- Interests of company employees – see statement headed “Employee Involvement” in the Directors’ Report
- Relationships with suppliers, customers and others – by agreeing contracts and terms of trade with, rather than imposing on, our trading partners to ensure they are mutually beneficial.
- The impact on the community and the environment– see statement headed “Community & Environment” in the Directors’ Report
- The desirability of maintaining a high reputation for standards of business conduct – including overseeing an annual reporting and certification process to ensure all relevant employees are aware of the high standards set in this regard and a mechanism to notify the company of any shortcomings, including a “whistle-blowing” hotline.

On behalf of the board

DocuSigned by:  
  
F88575DB36AA4FA...  
B P Wilson  
**Director**  
28 July 2023

# SOLARTRON METROLOGY LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### Company Registration No. 04220056

The directors present their report for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company continued to be that of the manufacture and sale of sensor measurement products.

#### Results and dividends

The results for the year are set out on page 11.

The total distribution of dividends for the year ended 31 December 2022 was £4,915,000 (2021: £4,483,000).

#### Going Concern

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described in the strategic report on page 1. As noted on pages 11 and 13 respectively, the Company has generated a profit after tax of £5,894,000 for the year-ended 31 December 2022 and has net current assets of £5,071,000 and net assets of £8,060,000 at this date.

In assessing whether the financial statements should be prepared on a going concern basis the Directors have considered the impact of COVID-19 and global supply chain issues on the Company. In this regard, the Directors note the Company operates in diverse markets and industries and has a wide customer base. Market conditions stabilised during the year, with the automotive sector showing growth as manufacturers invest in new models, with a focus on new Electric Vehicle platforms.

The company has been cautious in respect of adding back cost reductions made during the pandemic, and some costs, such as travel, are not expected to recover to pre-pandemic levels as new ways of working have been implemented.

During the year the company identified supply chain issues, related in particular to a number of Integrated Circuits used in the digital product range. Strategic stock was procured to cover manufacturing needs. This has resulted in higher stock holding at the end of 2022. Additionally, the company invested in product development to allow a wider range of Integrated Circuits to be used in the product.

As part of its ongoing analytical review process, the Company produces monthly financial reporting packs which are reviewed both internally and by the AMETEK UPT Division. The company now reports to AMETEK as a combined business unit with its immediate parent, Taylor Hobson Limited, and a Strategic Plan for the combined entity has been prepared and presented to AMETEK.

During the twelve months ended 31 December 2022, and driven by both the stabilisation post COVID-19, and the recovery across most industry sectors, the Company has seen an increase in sales of 9% compared to 2021. The company's differentiated product set has allowed the underlying strong margins to be maintained, and the cautious approach to investing in cost increases has resulted in an overall improvement in margins over the year. The Directors note the Company is part of the larger AMETEK Inc group which also traded profitably during 2022 and has significant undrawn lines of credit.

While past performance is no guarantee of the future, the Directors believe that the right actions continue to be taken to navigate uncertain times. Furthermore, the forecasts for the next 12 months, which have been updated to reflect ongoing risks associated with COVID-19, the global supply chain restrictions and increasing inflation, show the Company is expected to continue to trade profitably and generate operating cash inflows on a standalone basis.

# **SOLARTRON METROLOGY LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

---

The Directors' have stress tested the forecasts for the remainder of 2023 and for the first 7 months of 2024 noting the most significant factor impacting the cash inflows for the Company is the level of revenues being generated. These stress tests show that, with minimal management actions to mitigate costs, a fall in forecast revenues in the region of 50% would be required over 12 months from date of approval of these financial statements for the Company to run out of liquid funds.

The Directors' overall assessment is that the combined economic impacts of COVID-19, global supply chain restrictions and inflation, while significant, have not impacted the longer-term viability or sustainability of the Company. The Directors assess that with the Company's customer, industry and market diversification alongside its innovative and niche product lines the Company is well positioned to continue business and can effectively overcome future market shocks, which the Company has proven in its performance over the past two years. Based on this analysis, the Directors consider the aforementioned 50% fall in revenues that would be required for the Company to run out of liquid funds is highly unlikely to occur.

After completing the above and making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence during the 12 month period from approval of the financial statements (the going concern period) as a standalone business.

#### **Directors**

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

B P Wilson

T C Bache

P Zetti

C Howarth

(Resigned 8 August 2022)

(Appointed 8 August 2022)

#### **Directors' insurance**

AMETEK Inc. has indemnified all directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and remains in place to the date of this report.

#### **Financial instruments**

Details of financial instruments are set out in the strategic report on page 1.

#### **Research and development**

The company continues an active programme of research and development in all areas of its activities, with the constant review of existing products and development of new products being an integral part of its programme.

#### **Employee involvement**

It is the company's policy to keep employees fully informed of matters affecting them as employees and to make them aware of the financial and economic factors influencing company performance. Encouragement is given to employees to contribute towards the company's financial performance by means of an annual bonus scheme for certain employees.

#### **Community and Environment**

The company is fully committed to pursuing the best environmental practice and conducting its activities in a way that fully recognises its responsibilities to the environment.

#### **UK Streamlined Energy and Carbon Reporting (SECR)**

The company has complied with the UK Streamlined Energy and Carbon Reporting (SECR) requirements along with other UK entities that are part of the UK organisational structure of AMETEK Inc. The relevant information is reported in our highest UK entity, AMETEK European Holdings Limited.

## **SOLARTRON METROLOGY LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

---

##### **Post reporting date events**

The company has not declared and paid dividends since 31 December 2022.

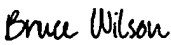
##### **Auditor**

The auditor, Ernst & Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

##### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DocuSigned by:  
  
F88575DB36AA4FA...

B P Wilson

**Director**

28 July 2023

## **SOLARTRON METROLOGY LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

---

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

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# **SOLARTRON METROLOGY LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SOLARTRON METROLOGY LIMITED**

---

#### **Opinion**

We have audited the financial statements of Solartron Metrology Limited for the year ended 31 December 2022 which comprise the Income Statement, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 26, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from the date of approval of financial statements.

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

#### **Other information**

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

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

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

We have nothing to report in this regard.

---

# **SOLARTRON METROLOGY LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF SOLARTRON METROLOGY LIMITED**

---

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **SOLARTRON METROLOGY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF SOLARTRON METROLOGY LIMITED**

---

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom. In addition, the company has to comply with laws and regulations relating to its operations, including health and safety, employees and General Data Protection Regulation (GDPR).
- We understood how Solartron Metrology Limited is complying with those frameworks by verifying that material transactions are recorded in compliance with FRS102 and where appropriate, the Companies Act 2006. Assessment of compliance with other operational laws and regulation was covered through making enquiries of management and those charged with governance, reviewing board minutes and correspondence with relevant authorities. Inquiries were made of management to understand any known instances of non-compliance with laws and regulations in the financial year, no such matters were brought to our attention.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and through assessing revenue as a fraud risk, specifically with regard to recognising revenue in the incorrect period. Our procedures to address this involved:
  - Understanding the revenue recognition process and policy and how it is applied, including relevant controls;
  - Testing of revenue cut-off at the year end, by selecting a sample of revenue transactions and testing whether revenue was recorded in the correct period through agreement to proof of delivery to confirm the period that the revenue related to;
  - We incorporated data analytics into our testing of revenue recognition, investigating journals posted to revenue as part of our journal entry testing work, with focus on transaction recorded at or close to the year-end date; and
  - With regard to the risk of management override, we used data analytics to sample from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific risk criteria, which we investigated further to gain an understanding of the transaction and agree to source documentation ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures had a focus on compliance with the reporting framework set out above through our walkthrough testing and the relevant tax legislation including tax computations and returns.

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

## SOLARTRON METROLOGY LIMITED

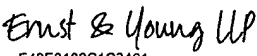
### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF SOLARTRON METROLOGY LIMITED

---

#### Use of our report

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

DocuSigned by:  
  
E42E3109C1C3461...

**Sam Newall (Senior Statutory Auditor)**  
**for and on behalf of Ernst & Young LLP**  
**Statutory Auditor**  
**Southampton**

28 July 2023  
.....

**SOLARTRON METROLOGY LIMITED****INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £'000	2021 £'000
<b>Turnover</b>	<b>3</b>	24,500	22,566
Cost of sales		(11,121)	(9,812)
<b>Gross profit</b>		13,379	12,754
Distribution costs		(3,417)	(3,506)
Administrative expenses		(2,729)	(3,127)
<b>Operating profit</b>	<b>4</b>	7,233	6,121
Interest receivable and similar income	<b>8</b>	3	20
Interest payable and similar expenses	<b>9</b>	-	(83)
<b>Profit before taxation</b>		7,236	6,058
Taxation	<b>10</b>	(1,342)	(3,517)
<b>Profit for the financial year</b>		5,894	2,541

The income statement has been prepared on the basis that all operations are continuing operations.

## SOLARTRON METROLOGY LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

---

	2022 £'000	2021 £'000
Profit for the year	5,894	2,541
Other comprehensive income	-	-
Total comprehensive income for the year	<u>5,894</u>	<u>2,541</u>

**SOLARTRON METROLOGY LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	12		887		992
Tangible assets	13		2,122		2,079
			<u>3,009</u>		<u>3,071</u>
<b>Current assets</b>					
Stocks	14	2,427		1,389	
Debtors	15	3,314		3,022	
Cash at bank and in hand		2,242		2,351	
		<u>7,983</u>		<u>6,762</u>	
<b>Creditors: amounts falling due within one year</b>	17	(2,912)		(2,832)	
<b>Net current assets</b>			<u>5,071</u>		<u>3,930</u>
<b>Total assets less current liabilities</b>			<u>8,080</u>		<u>7,001</u>
<b>Provisions for liabilities</b>	18		(20)		(7)
<b>Net assets</b>			<u><u>8,060</u></u>		<u><u>6,994</u></u>
<b>Capital and reserves</b>					
Called up share capital	19		3,000		3,000
Profit and loss reserves	21		5,060		3,994
<b>Total equity</b>			<u><u>8,060</u></u>		<u><u>6,994</u></u>

The financial statements were approved by the board of directors and authorised for issue on 28 July 2023 and are signed on its behalf by:

DocuSigned by:

*Bruce Wilson*

F8B575DB36AA4FA...

B P Wilson

Director

Company Registration No. 04220056

**SOLARTRON METROLOGY LIMITED****STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2022**

		Share capital	Profit and loss reserve	Total equity
	Notes	£'000	£'000	£'000
<b>Balance at 1 January 2021</b>		6,000	2,819	8,819
Profit for the year		-	2,541	2,541
Dividends	11	-	(4,483)	(4,483)
Equity settled share-based payments		-	117	117
Reduction of shares		(3,000)	3,000	-
<b>Balance at 31 December 2021</b>		3,000	3,994	6,994
Profit for the year		-	5,894	5,894
Dividends	11	-	(4,915)	(4,915)
Equity settled share-based payments		-	87	87
<b>Balance at 31 December 2022</b>		3,000	5,060	8,060

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

#### Company information

Solartron Metrology Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 New Star Road, Leicester, LE4 9JD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The financial statements were approved for issue on the date shown on the Statement of Financial Position.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- The requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
  - categories of financial instruments
  - items of income, expenses, gains or losses relating to financial instruments and;
  - exposure to and management of financial risks
- share based payment disclosures, including:
  - a description of each type of share based payment arrangement that has existed and;
  - details of exercises and vests during the period
- related party transaction disclosures, including (i) transactions with wholly owned subsidiaries of the AMETEK Inc group and (ii) disclosures related to key management remuneration.

#### 1.2 Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and details of the company's exposure to risk are described in the strategic report on page 1. As noted on pages 11 and 13 respectively, the Company has generated a profit after tax of £5,894,000 for the year-ended 31 December 2022 and has net current assets of £5,071,000 and net assets of £8,060,000 at this date.

In assessing whether the financial statements should be prepared on a going concern basis the Directors have considered the impact of COVID-19 and global supply chain issues on the Company. In this regard, the Directors note the Company operates in diverse markets and industries and has a wide customer base. Market conditions stabilised during the year, with the automotive sector showing growth as manufacturers invest in new models, with a focus on new Electric Vehicle platforms.

The company has been cautious in respect of adding back cost reductions made during the pandemic, and some costs, such as travel, are not expected to recover to pre-pandemic levels as new ways of working have been implemented.

During the year the company identified supply chain issues, related in particular to a number of Integrated Circuits used in the digital product range. Strategic stock was procured to cover manufacturing needs. This has resulted in higher stock holding at the end of 2022. Additionally, the company invested in product development to allow a wider range of Integrated Circuits to be used in the product.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

(Continued)

As part of its ongoing analytical review process, the Company produces monthly financial reporting packs which are reviewed both internally and by the AMETEK UPT Division. The company now reports to AMETEK as a combined business unit with Taylor Hobson Limited, and a Strategic Plan for the combined entity has been prepared and presented to AMETEK.

During the twelve months ended 31 December 2022, and driven by both the stabilisation post COVID-19, and the recovery across most industry sectors, the Company has seen an increase in sales of 9% compared to 2021. The company's differentiated product set has allowed the underlying strong margins to be maintained, and the cautious approach to investing in cost increases has resulted in an overall improvement in margins over the year. The Directors note the Company is part of the larger AMETEK Inc group which also traded profitably in each quarter of 2022 and has significant undrawn lines of credit.

While past performance is no guarantee of the future, the Directors believe that the right actions continue to be taken to navigate uncertain times. Furthermore, the forecasts for the next 12 months, which have been updated to reflect ongoing risks associated with COVID-19, the global supply chain restrictions and increasing inflation, show the Company is expected to continue to trade profitably and generate operating cash inflows on a standalone basis.

The Directors' have stress tested the forecasts for the remainder of 2023 and for the first 7 months of 2024 noting the most significant factor impacting the cash inflows for the Company is the level of revenues being generated. These stress tests show that, with minimal management actions to mitigate costs, a fall in forecast revenues in the region of 50% would be required over 12 months from date of approval of these financial statements for the Company to run out of liquid funds.

The Directors' overall assessment is that the combined economic impacts of COVID-19, global supply chain restrictions and inflation, while significant, have not impacted the longer-term viability or sustainability of the Company. The Directors assess that with the Company's customer, industry and market diversification alongside its innovative and niche product lines the Company is well positioned to continue business and can effectively overcome future market shocks, which the Company has proven in its performance over the past two years. Based on this analysis, the Directors consider the aforementioned 50% fall in revenues that would be required for the Company to run out of liquid funds is highly unlikely to occur.

After completing the above and making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence during the 12 month period from approval of the financial statements (the going concern period) as a standalone business.

### 1.3 Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding VAT and other sales taxes. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, which is dependent on the specific customer agreements in place.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life, and is amortised on a systematic basis over the estimated useful life of the goodwill.

The goodwill recorded relates to the acquisition of the Solartron Metrology business in 2001. The goodwill was considered to have a useful economic life of 20 years from the acquisition date and this is considered to remain appropriate, this has been fully amortised to a value of £Nil.

##### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

##### Intellectual Property and Trademarks

Intellectual Property and Trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the asset over its useful economic life estimated at 10 years.

The Intellectual property and trademarks addition in the prior year relates to the acquisition of Gagesoft. The asset was considered to have a useful economic life of 10 years from the acquisition date and this is considered to remain appropriate

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold property	over 30 years
Plant and machinery	over 3 to 10 years
Fixtures, fittings & equipment	over 7 to 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

#### 1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

- Raw materials, consumables and goods for resale are stated at purchase cost on a first in, first out basis.
- Work in progress and finished goods are stated at cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash at bank in the current accounts, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

#### 1.10<sup>(a)</sup> Financial assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the income statement are measured at fair value.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### 1.11 Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Other financial liabilities classified as fair value through the income statement are measured at fair value.

##### ***Other financial liabilities***

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.13 Taxation

The tax expense represents the sum of the current tax payable and deferred tax movements in the period.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### **Current tax**

The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.14 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in the income statement in the period it arises.

#### 1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### 1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.17 Share-based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an appropriate pricing model. No expense is recognised for awards that do not ultimately vest.

At each year end date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions that impact on the number of equity instruments that will ultimately vest. The movement in cumulative expense since the previous statement of financial position date is recognised in the income statement for the year (as part of wages and salaries) with a corresponding reserve transfer to the profit and loss reserve.

There are no non-equity settled share-based payments.

##### 1.18 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

##### 1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

##### 1.20 Research and development

Research expenditure is written off to the income statement in the year in which it is incurred.

#### 2 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The following are considered to have the most significant effect on the amounts recognised in the financial statements:

- Stocks – the determination of provision required to ensure that stock is recorded at the lower of cost and net realisable value.
- Fixed assets – the determination on whether impairment provisions are required to reduce the carrying value of tangible assets.
- Warranty provision - the warranty provision is estimated based on current forecasts of the likely amount required to settle the liability.
- Intangible assets - the determination on whether impairment provisions are required to reduce the carrying value of intangible fixed assets.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Turnover

An analysis of the company's turnover is as follows:

#### Turnover analysed by geographical market

	2022 £'000	2021 £'000
Europe	8,497	7,163
Asia	7,154	7,252
Americas (excluding USA)	1,830	1,410
USA	7,019	6,741
	<u>24,500</u>	<u>22,566</u>

### 4 Operating profit

Operating profit for the year is stated after charging/(crediting):

	2022 £'000	2021 £'000
Exchange (gains)/losses	(221)	85
Research and development costs	846	737
Depreciation of owned tangible fixed assets	400	410
(Profit)/loss on disposal of tangible fixed assets	(4)	2
Amortisation of intangible assets	105	256
Cost of stocks recognised as an expense	4,907	4,710
Impairment of stocks recognised or reversed	1	11
Hire of plant and machinery	32	31
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022 £'000	2021 £'000
Fees payable to the company's auditors for the audit of the company's annual accounts	<u>48</u>	<u>46</u>

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Production staff	90	88
Engineering staff	13	11
Sales and Marketing staff	4	4
Administrative staff	9	9
	<u>116</u>	<u>112</u>

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	4,504	4,049
Social security costs	442	392
Pension costs	279	266
	<u>5,225</u>	<u>4,707</u>

Included in wages and salaries is a total expense for share-based payments in relation to equity-settled transactions of £87,000 (2021: £117,000), of which £55,000 (2021: £87,000) relates to restricted shares and £32,000 (2021: £30,000) relates to share options.

Further details of the share-based payment arrangements applicable are given in the group financial statements of the ultimate parent entity AMETEK Inc.

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Directors' remuneration	2022 £'000	2021 £'000
Remuneration for qualifying services	261	386
Company pension contributions to defined contribution schemes	21	32
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021 - 2).

The number of directors who exercised share options during the year was 2 (2021 - 2).

The number of directors who received shares under long term incentive schemes during the year was 2 (2021 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £'000	2021 £'000
Remuneration for qualifying services	214	206
Company pension contributions to defined contribution schemes	20	31
	<u>          </u>	<u>          </u>

The highest paid director has exercised share options during the year.

The highest paid director has received shares under a long term incentive scheme during the year.

8 Interest receivable	2022 £'000	2021 £'000
<b>Interest income</b>		
Bank interest receivable	3	-
Interest receivable from group companies	-	20
	<u>          </u>	<u>          </u>
Total interest receivable	3	20
	<u>          </u>	<u>          </u>

9 Interest payable and similar expenses	2022 £'000	2021 £'000
Other interest	-	83
	<u>          </u>	<u>          </u>

10 Taxation	2022 £'000	2021 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,454	1,232
Adjustments in respect of prior periods	-	2,495
	<u>          </u>	<u>          </u>
Total current tax	1,454	3,727
	<u>          </u>	<u>          </u>

**SOLARTRON METROLOGY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>10 Taxation</b>	<b>(Continued)</b>	
<b>Deferred tax</b>		
Origination and reversal of timing differences	(112)	(67)
Changes in tax rates	-	(66)
Adjustment in respect of prior periods	-	(77)
	<u>          </u>	<u>          </u>
Total deferred tax	(112)	(210)
	<u>          </u>	<u>          </u>
 Total tax charge	 1,342	 3,517
	<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the profit per the income statement as follows:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
 Profit before taxation	 7,236	 6,058
	<u>          </u>	<u>          </u>
 Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	 1,375	 1,151
Tax effect of expenses that are not deductible in determining taxable profit	(6)	15
Effect of change in tax rates	(27)	(66)
Under provided in prior years*	-	2,417
	<u>          </u>	<u>          </u>
Taxation for the year	1,342	3,517
	<u>          </u>	<u>          </u>

\* Under provision in prior years of £2,417,000 is not a result of an error in the prior years but is due to a change in decision following an assessment of the Governments corporation tax changes for future years.

**Factors that may affect the future tax charge**

The company's profits for this accounting period are taxed at a rate of 19%. In his Spring 2023 Budget statement on 15 March 2023, the Chancellor of the Exchequer confirmed that the main corporation tax rate would increase from 19% to 25% with effect from 1 April 2023. Deferred tax balances have been stated at 25%

<b>11 Dividends</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
 Ordinary dividends paid	 4,915	 4,483
	<u>          </u>	<u>          </u>

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Intangible fixed assets

	Goodwill £'000	Intellectual property and trademarks £'000	Total £'000
<b>Cost</b>			
At 1 January 2022 and 31 December 2022	11,870	2,654	14,524
<b>Amortisation</b>			
At 1 January 2022	11,870	1,662	13,532
Amortisation charged for the year	-	105	105
At 31 December 2022	11,870	1,767	13,637
<b>Carrying amount</b>			
At 31 December 2022	-	887	887
At 31 December 2021	-	992	992

On 28 May 2021, the company acquired the intellectual property and trademarks of Gagesoft, Inc for a consideration of \$1,500,000.

### 13 Tangible fixed assets

	Freehold property £'000	Fixtures, fittings & equipment £'000	Plant and machinery £'000	Total £'000
<b>Cost</b>				
At 1 January 2022	1,881	1,179	6,003	9,063
Additions	68	58	317	443
Disposals	(3)	(41)	(229)	(273)
At 31 December 2022	1,946	1,196	6,091	9,233
<b>Accumulated depreciation</b>				
At 1 January 2022	1,254	1,080	4,650	6,984
Charge for the year	48	34	318	400
Eliminated on disposal	(3)	(41)	(229)	(273)
At 31 December 2022	1,299	1,073	4,739	7,111
<b>Carrying amount</b>				
At 31 December 2022	647	123	1,352	2,122
At 31 December 2021	627	99	1,353	2,079

**SOLARTRON METROLOGY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>14 Stocks</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Raw materials and consumables	1,772	1,050
Work in progress	98	61
Finished goods and goods for resale	557	278
	<u>2,427</u>	<u>1,389</u>
	<u><u>2,427</u></u>	<u><u>1,389</u></u>
<b>15 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	1,825	1,804
Amounts due from fellow subsidiary undertakings	585	528
Corporation tax recoverable	95	-
Other debtors	312	368
Prepayments and accrued income	111	47
	<u>2,928</u>	<u>2,747</u>
Deferred tax asset (note 16)	386	8
	<u>3,314</u>	<u>2,755</u>
	<u><u>3,314</u></u>	<u><u>2,755</u></u>
<b>Amounts falling due after more than one year:</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Deferred tax asset (note 16)	-	267
	<u>-</u>	<u>267</u>
	<u><u>-</u></u>	<u><u>267</u></u>
<b>Total debtors</b>	<b>3,314</b>	<b>3,022</b>
	<u><u>3,314</u></u>	<u><u>3,022</u></u>

# SOLARTRON METROLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 16 Deferred taxation

The following are the major deferred tax assets recognised by the company and movements thereon:

	2022 £'000	2021 £'000
<b>Balances:</b>		
Decelerated capital allowances	318	226
Other timing differences	68	48
	<u>386</u>	<u>274</u>
<b>Movements in the year:</b>		<b>2022 £'000</b>
Asset at 1 January 2022		(274)
Net origination differences taken to income statement		(112)
Effect of change in tax rates taken to income statement		-
Adjustment in respect of prior years taken to income statement		-
Asset at 31 December 2022		<u>(386)</u>

The company expects deferred tax assets of £4,000 to reverse in 2023.

### 17 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	1,290	1,100
Amounts due to fellow subsidiary undertakings	805	742
Corporation tax payable	-	208
Other taxation and social security	98	98
Accruals and deferred income	719	684
	<u>2,912</u>	<u>2,832</u>

**SOLARTRON METROLOGY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>18 Provisions for liabilities</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Warranty provision	20	7
	<u>20</u>	<u>7</u>
Movements on provisions:		<b>£'000</b>
At 1 January 2022		7
Additional provisions in the year		14
Utilisation of provision		(1)
At 31 December 2022		<u>20</u>
		<u>20</u>
<b>19 Share capital</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
3,000,000 Ordinary Shares of £1 each	3,000	3,000
	<u>3,000</u>	<u>3,000</u>
	<u>3,000</u>	<u>3,000</u>
	<u>3,000</u>	<u>3,000</u>
<b>20 Retirement benefit schemes</b>		
The total costs charged to income in respect of defined contribution schemes was £279,000 (2021: £265,000).		
Included within current liabilities is £33,000 (2021: £35,000) owed regarding defined contribution schemes.		
<b>21 Profit and loss reserves</b>		
This account includes all current and prior period retained profits and losses.		
<b>22 Operating lease commitments</b>		
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	23	32
Between two and five years	13	52
	<u>36</u>	<u>84</u>
	<u>36</u>	<u>84</u>

## SOLARTRON METROLOGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 22 Operating lease commitments (Continued)

#### 23 Financial commitments, guarantees and contingent liabilities

The company has issued bank guarantees to the value of £150,000 (2021: £150,000) in favour of HM Revenue and Customs.

#### 24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022 £'000	2021 £'000
Acquisition of tangible fixed assets	42	-
	<u>42</u>	<u>-</u>

#### 25 Events after the reporting date

The company has not declared and paid dividends since 31 December 2022.

#### 26 Controlling party

The immediate parent company is Taylor Hobson Limited, a company registered in England and Wales.

The ultimate parent company and controlling party is AMETEK Inc., a company incorporated in the United States of America. AMETEK Inc. prepares group financial statements which include the company and are the smallest and largest consolidated accounts that the company is included in, and copies can be obtained from 2 New Star Road, Leicester LE4 9JD.