

Company Registration No. 02949769 (England and Wales)

**METROHM UK LIMITED**  
**GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**METROHM UK LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Dr V J Frost Mr P E Gruninger Mr D A Wager Mr J West
<b>Secretary</b>	Ms N Hough
<b>Company number</b>	02949769
<b>Registered office</b>	Metrohm House Evenwood Close Daresbury Court Runcorn Cheshire WA7 1LZ
<b>Auditor</b>	Mitchell Charlesworth 24 Nicholas Street Chester CH1 2AU

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# METROHM UK LIMITED

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# METROHM UK LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present the strategic report for the year ended 31 December 2021.

#### **Fair Review of the Business (including KPIs)**

The key performance indicators are considered to be turnover and profit before tax. The group had another successful year, with turnover increasing by 5% over 2020, also being the highest level ever recorded. Profit before taxation also increased during the year by 6%.

#### **Principal risks and uncertainties**

##### **People risk**

We need high quality employees to provide customers and consumers with high quality products and services. We aim to secure qualified long term employment opportunities throughout the company. In order to mitigate this risk we review the performance of staff and have a bonus structure in place.

##### **Financial risk**

We have to ensure that we have the appropriate capital structure in place to allow us to run the business. We have a supportive bank that knows our business and have facilities available should it be required.

##### **Price risk**

Service level agreements and price structures are negotiated with key suppliers to ensure efficiency and cost-effectiveness in all purchases. Outside influences on rising costs have been carefully monitored. The risk arising from purchases made in foreign currencies is mitigated by the utilisation of forward hedging in the major currencies used.

##### **Credit risk**

Customers applying for credit facilities with the company are subject to scrutiny in order for the company to ascertain the suitability and potential risk of offering credit. Credit facilities are reviewed periodically ensuring the risk of loss is mitigated.

##### **Liquidity and cash flow risk**

Cash flow and liquidity are continually monitored to ensure any potential future risks are identified as early as possible and mitigated accordingly.

##### **Operational risk**

We face competition on our products. To compete we have to purchase materials effectively, operate the supply chain efficiently, market and sell our products well and continually innovate. If we fail to do this we could lose sales.

We closely monitor the service levels we provide to our customers. We aim to maintain the delivery, and service in compliance with ISO9001:2008 and complied with ISO9001:2017 in 2021. We aim to maintain the highest level of customer satisfactions through continuous improvements in quality.

##### **Legal and compliance risk**

Our sector is subject to statutory requirements. There is a risk of fines or lawsuits and reputation damage if we fail to comply. We commit to doing business in an environmentally responsible manner. We seek to take care of the environment and ensure that our business is conducted in compliance with applicable laws. We have insurances and relevant certificates in place to manage the risk.

## **METROHM UK LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **Future developments**

Continue to implement strategies in both technology and training in order to improve performance.

Monitor costs and servicing in order to improve profitability.

Strive to continually enhance our Metrohm 'market leader' status in the UK and Ireland.

Enhance relations with existing customers and other stakeholders and apply those same principles to new customers and stakeholders.

Keep abreast of technological advancements in our specialist areas and import that knowledge to our customers and stakeholders.

Constantly seek out new opportunities to organically grow the business for the benefit of all.

Continue our management philosophy respecting the dignity of everyone based on mutual trust and commonly defined objective.

We must also be aware of uncertainties to our business due to the current situation with supply chain and potentially rising costs associated with COVID and the war in Ukraine.

By order of the board

Ms N Hough

**Secretary**

10 April 2022

# METROHM UK LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £1,000,000. The directors do not recommend payment of a further dividend.

#### Directors

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

Dr V J Frost  
Mr P E Gruninger  
Mr D A Wager  
Mr J West

#### Auditor

In accordance with the company's articles, a resolution proposing that Mitchell Charlesworth LLP be reappointed as auditor of the group will be put at a General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### 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 auditor of the company 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 auditor of the company is aware of that information.

#### Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

## **METROHM UK LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **COVID-19**

The directors' have considered the impact of COVID-19 on the company and confirm it hasn't had a negative financial effect as turnover has actually increased in the year ended 31 December 2021 and in early months of 2022, sales have been in line with 2021 months.

By order of the board

Ms N Hough  
**Secretary**

10 April 2022

## METROHM UK LIMITED

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF METROHM UK LIMITED

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##### Opinion

We have audited the financial statements of Metrohm UK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 31 December 2021 and of the group's 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 group's and parent 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.

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

##### 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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



## **METROHM UK LIMITED**

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

#### **TO THE MEMBERS OF METROHM UK LIMITED**

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

In the light of the knowledge and understanding of the group and the parent 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 parent 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.

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.

##### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

## **METROHM UK LIMITED**

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

#### **TO THE MEMBERS OF METROHM UK LIMITED**

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##### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the Statement of Comprehensive Income, (ii) the accounting policy for revenue recognition (iii) understatement of creditors (iv) Stock valuation. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

##### **Audit response to risks identified**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and directors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of board meetings and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

## **METROHM UK LIMITED**

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

#### **TO THE MEMBERS OF METROHM UK LIMITED**

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##### **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.

**Robert Hall**

**(Senior Statutory Auditor)**

**For and on behalf of Mitchell Charlesworth**

14 April 2022

**Chartered Accountants**

**Statutory Auditor**

24 Nicholas Street

Chester

CH1 2AU

## METROHM UK LIMITED

### GROUP PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 DECEMBER 2021*

	Notes	2021 £	2020 £
Turnover	3	13,845,624	13,184,411
Cost of sales		(5,597,842)	(5,445,476)
Gross profit		8,247,782	7,738,935
Administrative expenses		(5,086,635)	(4,764,855)
Operating profit	4	3,161,147	2,974,080
Interest receivable and similar income	8	34	9,095
Amounts written off investments	9	118,874	20,266
Profit before taxation		3,280,055	3,003,441
Tax on profit	10	(624,914)	(578,329)
Profit for the financial year		2,655,141	2,425,112

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# METROHM UK LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 DECEMBER 2021*

	2021	2020
	£	£
Profit for the year	2,655,141	2,425,112
Other comprehensive income		
Currency translation differences	(34,092)	89,235
Total comprehensive income for the year	<u>2,621,049</u>	<u>2,514,347</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# METROHM UK LIMITED

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		1,447,543		1,375,229
<b>Current assets</b>					
Stocks	15	2,348,062		2,289,891	
Debtors	16	3,912,858		3,252,870	
Cash at bank and in hand		6,776,224		5,874,511	
		<u>13,037,144</u>		<u>11,417,272</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(4,282,939)</u>		<u>(4,254,295)</u>	
<b>Net current assets</b>			<u>8,754,205</u>		<u>7,162,977</u>
<b>Total assets less current liabilities</b>			<u>10,201,748</u>		<u>8,538,206</u>
<b>Provisions for liabilities</b>					
Provisions	18	67,573		63,000	
Deferred tax liability	20	76,583		38,663	
		<u>(144,156)</u>		<u>(101,663)</u>	
<b>Net assets</b>			<u><u>10,057,592</u></u>		<u><u>8,436,543</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		100,000		100,000
Profit and loss reserves			<u>9,957,592</u>		<u>8,336,543</u>
<b>Total equity</b>			<u><u>10,057,592</u></u>		<u><u>8,436,543</u></u>

The financial statements were approved by the board of directors and authorised for issue on 10 April 2022 and are signed on its behalf by:

Mr J West  
Director

# METROHM UK LIMITED

## COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12	1,440,029		1,367,398	
Investments	13	2		2	
		<u>1,440,031</u>		<u>1,367,400</u>	
<b>Current assets</b>					
Stocks	15	2,273,070		2,215,390	
Debtors	16	3,502,431		2,781,904	
Cash at bank and in hand		5,875,502		4,057,992	
		<u>11,651,003</u>		<u>9,055,286</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(4,045,009)</u>		<u>(3,996,958)</u>	
<b>Net current assets</b>		<u>7,605,994</u>		<u>5,058,328</u>	
<b>Total assets less current liabilities</b>		<u>9,046,025</u>		<u>6,425,728</u>	
<b>Provisions for liabilities</b>					
Provisions	18	67,573		63,000	
Deferred tax liability	20	76,583		38,663	
		<u>(144,156)</u>		<u>(101,663)</u>	
<b>Net assets</b>		<u>8,901,869</u>		<u>6,324,065</u>	
<b>Capital and reserves</b>					
Called up share capital	21	100,000		100,000	
Profit and loss reserves		8,801,869		6,224,065	
<b>Total equity</b>		<u>8,901,869</u>		<u>6,324,065</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,577,804 (2020 - £2,172,395 profit).

The financial statements were approved by the board of directors and authorised for issue on 10 April 2022 and are signed on its behalf by:

Mr J West  
Director

Company Registration No. 02949769

# METROHM UK LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 January 2020</b>		100,000	9,822,196	9,922,196
<b>Year ended 31 December 2020:</b>				
Profit for the year		-	2,425,112	2,425,112
Other comprehensive income:				
Currency translation differences		-	89,235	89,235
Total comprehensive income for the year		-	2,514,347	2,514,347
Dividends	11	-	(4,000,000)	(4,000,000)
<b>Balance at 31 December 2020</b>		100,000	8,336,543	8,436,543
<b>Year ended 31 December 2021:</b>				
Profit for the year		-	2,655,141	2,655,141
Other comprehensive income:				
Currency translation differences		-	(34,092)	(34,092)
Total comprehensive income for the year		-	2,621,049	2,621,049
Dividends	11	-	(1,000,000)	(1,000,000)
<b>Balance at 31 December 2021</b>		100,000	9,957,592	10,057,592



# METROHM UK LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 January 2020		100,000	8,051,670	8,151,670
Year ended 31 December 2020:				
Profit and total comprehensive income for the year		-	2,172,395	2,172,395
Dividends	11	-	(4,000,000)	(4,000,000)
Balance at 31 December 2020		100,000	6,224,065	6,324,065
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	3,577,804	3,577,804
Dividends	11	-	(1,000,000)	(1,000,000)
Balance at 31 December 2021		100,000	8,801,869	8,901,869

# METROHM UK LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	2,767,538		3,344,356	
Income taxes paid		(671,053)		(529,933)	
<b>Net cash inflow from operating activities</b>		<b>2,096,485</b>		<b>2,814,423</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(177,095)		(90,911)	
Proceeds on disposal of tangible fixed assets		16,381		11,648	
Proceeds on disposal of investments		118,874		20,266	
Interest received		34		9,095	
<b>Net cash used in investing activities</b>		<b>(41,806)</b>		<b>(49,902)</b>	
<b>Financing activities</b>					
Purchase of derivatives		(118,874)		(20,266)	
Dividends paid to equity shareholders		(1,000,000)		(4,000,000)	
<b>Net cash used in financing activities</b>		<b>(1,118,874)</b>		<b>(4,020,266)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>935,805</b>		<b>(1,255,745)</b>	
Cash and cash equivalents at beginning of year		5,874,511		7,041,020	
Effect of foreign exchange rates		(34,092)		89,236	
<b>Cash and cash equivalents at end of year</b>		<b>6,776,224</b>		<b>5,874,511</b>	

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Company information**

Metrohm UK Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Metrohm House, Evenwood Close, Daresbury Court, Runcorn, Cheshire, WA7 1LZ.

The group consists of Metrohm UK Limited and all of its subsidiaries.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Basis of consolidation**

The consolidated financial statements incorporate those of Metrohm UK Limited and its subsidiary (ie an entity that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

Subsidiary financial statements are made up to 31 December 2021 and accounting policies used therein are in line with those used by Metrohm UK Limited.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The group profit and loss account and statement of cash flows also include the results and cash flows of Metrohm Ireland Limited from its incorporation.

#### **1.3 Going concern**

At the time of approving the financial statements and having due regard to the impact of COVID-19, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.4 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.5 Tangible fixed assets

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

Depreciation 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:

Leasehold land and buildings	See below
Plant and machinery	Straight line over 5 years
Fixtures, fittings and equipment	Straight line over 6 years
Computer equipment	Straight line over 5 years
Motor vehicles	Straight line over 4 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 recognised in the profit and loss account.

The long leasehold property is considered to have a residual value in excess of its original cost. The properties are maintained to a high standard and reviewed for impairment at the end of each reporting period, therefore no depreciation is charged. This constitutes a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. The departure is considered by the directors to be necessary in order to show a true and fair view of the value of the long leasehold property.

##### 1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.7 Impairment of fixed assets

At each reporting period end date, the group 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.

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Obsolete and slow moving items are provided for at a rate of 25% on a straight line basis at each year end following the date at which the stock had been held for a period of 1 year.

#### 1.9 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The group 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 instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

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

Financial assets, other than those held at fair value through profit and loss, 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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **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 group 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.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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

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

#### **1.11 Equity instruments**

Equity instruments issued by the group 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 group.

#### **1.12 Derivatives**

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group'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 profit and loss account, 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 if, and only if, there is 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 group has a legal or constructive present obligation as a result of a past event, it is probable that the group 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 profit or loss in the period in which 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.

## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 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 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 leased asset are consumed.

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

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### *Useful economic lives of fixed assets*

The company depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by the directors when determining the residual values for plant, machinery and equipment. When determining the residual value management assesses the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

##### *Recoverability of debtors*

Bad debts are recognised where there are indicators of non-recoverability, and appropriate action has been taken to recover the debt unsuccessfully. When assessing recoverability, the directors consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual groups of customers.

##### *Slow moving and obsolete stocks*

Stock provisions are recognised where there are indicators of recoverable value being lower than cost. In establishing the level of provisioning required, management consider discontinued products and slow moving or obsolete stock.



## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 3 Turnover and other revenue

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

	2021	2020
	£	£
<b>Turnover analysed by class of business</b>		
Sale of goods	10,379,969	10,103,637
Rendering of services	3,465,655	3,080,774
	<u>13,845,624</u>	<u>13,184,411</u>
	<b>2021</b>	<b>2020</b>
	£	£
<b>Turnover analysed by geographical market</b>		
UK	10,619,861	10,385,982
Overseas	3,225,763	2,798,429
	<u>13,845,624</u>	<u>13,184,411</u>
	<b>2021</b>	<b>2020</b>
	£	£
<b>Other significant revenue</b>		
Interest income	34	9,095

#### 4 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	89,712	88,927
Profit on disposal of tangible fixed assets	(1,312)	(9,678)
Operating lease charges	191,137	167,984

#### 5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	19,250	19,000
Audit of the financial statements of the company's subsidiaries	10,099	8,792
	<u>29,349</u>	<u>27,792</u>

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Directors	1	1	1	1
Employees	52	52	47	47
Total	53	53	48	48

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	3,111,130	2,982,304	2,746,032	2,612,761
Social security costs	411,604	393,633	367,178	350,550
Pension costs	186,200	153,056	171,420	138,200
	3,708,934	3,528,993	3,284,630	3,101,511

### 7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	167,339	182,031
Company pension contributions to defined contribution schemes	11,908	11,561
	179,247	193,592

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).

### 8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	34	9,095

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Amounts written off investments

	2021 £	2020 £
<b>Fair value gains/(losses) on financial instruments</b>		
Change in value of financial assets held at fair value through profit or loss	118,874	20,266
	<u>118,874</u>	<u>20,266</u>

### 10 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	586,994	392,692
Foreign current tax on profits for the current period	-	176,181
	<u>586,994</u>	<u>568,873</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	37,920	9,456
	<u>37,920</u>	<u>9,456</u>
<b>Total tax charge</b>	<u>624,914</u>	<u>578,329</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	3,280,055	3,003,441
	<u>3,280,055</u>	<u>3,003,441</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	623,210	570,654
Tax effect of expenses that are not deductible in determining taxable profit	2,945	4,238
Capital allowances in excess of depreciation	10,264	3,437
Other short term timing differences	(11,505)	-
	<u>624,914</u>	<u>578,329</u>
<b>Taxation charge</b>	<u>624,914</u>	<u>578,329</u>

### 11 Dividends

	2021 £	2020 £
Recognised as distributions to equity holders:		
Interim paid	1,000,000	4,000,000
	<u>1,000,000</u>	<u>4,000,000</u>

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Tangible fixed assets

Group	Leasehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2021	1,197,847	393,606	42,718	445,344	146,762	2,226,277
Additions	-	24,833	53,432	98,830	-	177,095
Disposals	-	(21,930)	-	(38,048)	(23,553)	(83,531)
At 31 December 2021	1,197,847	396,509	96,150	506,126	123,209	2,319,841
<b>Depreciation and impairment</b>						
At 1 January 2021	-	308,754	41,423	396,933	103,938	851,048
Depreciation charged in the year	-	30,774	6,278	32,720	19,940	89,712
Eliminated in respect of disposals	-	(8,689)	-	(36,220)	(23,553)	(68,462)
At 31 December 2021	-	330,839	47,701	393,433	100,325	872,298
<b>Carrying amount</b>						
At 31 December 2021	1,197,847	65,670	48,449	112,693	22,884	1,447,543
At 31 December 2020	1,197,847	84,852	1,295	48,411	42,824	1,375,229

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Tangible fixed assets (Continued)

Company	Leasehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2021	1,197,847	387,697	42,718	435,713	146,762	2,210,737
Additions	-	22,838	53,432	97,326	-	173,596
Disposals	-	(21,930)	-	(35,938)	(23,553)	(81,421)
At 31 December 2021	1,197,847	388,605	96,150	497,101	123,209	2,302,912
<b>Depreciation and impairment</b>						
At 1 January 2021	-	307,440	41,423	390,538	103,938	843,339
Depreciation charged in the year	-	29,060	6,278	30,618	19,940	85,896
Eliminated in respect of disposals	-	(8,689)	-	(34,110)	(23,553)	(66,352)
At 31 December 2021	-	327,811	47,701	387,046	100,325	862,883
<b>Carrying amount</b>						
At 31 December 2021	1,197,847	60,794	48,449	110,055	22,884	1,440,029
At 31 December 2020	1,197,847	80,257	1,295	45,175	42,824	1,367,398

### 13 Fixed asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Unlisted investments	-	-	2	2

The company owns 100% of the issued share capital of Metrohm Ireland Limited, a company incorporated in the Republic of Ireland.

The latest available accounts for Metrohm Ireland Limited made up to 31 December 2021 show shareholders' funds of £ 1,155,914 (2020 - £2,112,393) and a profit after tax for the year of £1,389,098 (2020 - £1,129,878). Figures are reported in the accounts of Metrohm Ireland Limited in Euro's and have been translated into GBP for the purposes of this note.

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

<b>13</b>	<b>Fixed asset investments</b>				<b>(Continued)</b>
	<b>Movements in fixed asset investments</b>				
	<b>Company</b>				<b>Investments</b>
					<b>£</b>
	<b>Cost or valuation</b>				
	At 1 January 2021 and 31 December 2021				2
					<hr/>
	<b>Carrying amount</b>				
	At 31 December 2021				2
					<hr/>
	At 31 December 2020				2
					<hr/>
<b>14</b>	<b>Financial instruments</b>				
		<b>Group</b>		<b>Company</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Carrying amount of financial assets</b>				
	Instruments measured at fair value through profit or loss	86,127	-	86,127	-
		<hr/>	<hr/>	<hr/>	<hr/>
	<b>Carrying amount of financial liabilities</b>				
	Measured at fair value through profit or loss				
	- Other financial liabilities	-	32,747	-	32,747
		<hr/>	<hr/>	<hr/>	<hr/>
<b>15</b>	<b>Stocks</b>				
		<b>Group</b>		<b>Company</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Finished goods and goods for resale	2,348,062	2,289,891	2,273,070	2,215,390
		<hr/>	<hr/>	<hr/>	<hr/>
<b>16</b>	<b>Debtors</b>				
		<b>Group</b>		<b>Company</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>				
	Trade debtors	3,679,333	3,122,068	3,151,219	2,611,687
	Amounts owed by group undertakings	-	-	126,944	48,058
	Derivative financial instruments	86,127	-	86,127	-
	Other debtors	22,341	22,219	22,341	22,219
	Prepayments and accrued income	125,057	108,583	115,800	99,940
		<hr/>	<hr/>	<hr/>	<hr/>
		3,912,858	3,252,870	3,502,431	2,781,904
		<hr/>	<hr/>	<hr/>	<hr/>

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	131,067	176,039	129,934	174,277
Amounts owed to group undertakings	1,682,303	1,706,234	1,682,303	1,706,234
Corporation tax payable	55,705	139,764	30,339	124,147
Other taxation and social security	840,477	881,788	666,890	684,993
Derivative financial instruments	-	32,747	-	32,747
Other creditors	81,493	81,091	64,216	62,711
Accruals and deferred income	1,491,894	1,236,632	1,471,327	1,211,849
	<u>4,282,939</u>	<u>4,254,295</u>	<u>4,045,009</u>	<u>3,996,958</u>

### 18 Provisions for liabilities

	Group 2021 £	2020 £	Company 2021 £	2020 £
	<u>67,573</u>	<u>63,000</u>	<u>67,573</u>	<u>63,000</u>

Movements on provisions:

Group	£
At 1 January 2021	63,000
Additional provisions in the year	<u>4,573</u>
At 31 December 2021	<u>67,573</u>
	<b>Warranty provision</b>
	<b>£</b>
At 1 January 2021	63,000
Additional provisions in the year	<u>4,573</u>
At 31 December 2021	<u>67,573</u>

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 19 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	186,200	153,056

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
<b>Group</b>		
Accelerated capital allowances	76,583	38,663
	Liabilities 2021 £	Liabilities 2020 £
<b>Company</b>		
Accelerated capital allowances	76,583	38,663
	Group 2021 £	Company 2021 £
<b>Movements in the year:</b>		
Liability at 1 January 2021	38,663	38,663
Effect of change in tax rate - profit or loss	37,920	37,920
Liability at 31 December 2021	76,583	76,583

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 21 Share capital

Group and company	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	100,000	100,000	100,000	100,000



## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 21 Share capital

(Continued)

All issued shares are ordinary shares and rank equally for voting, dividend and distribution purposes.

#### 22 Operating lease commitments

##### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	198,031	132,623	148,753	132,623
Between two and five years	281,074	218,342	196,378	218,342
	<u>479,105</u>	<u>350,965</u>	<u>345,131</u>	<u>350,965</u>

#### 23 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation	<u>167,339</u>	<u>182,031</u>

## METROHM UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 23 Related party transactions

(Continued)

##### Other information

##### **Metrohm AG (parent company)**

The company made stock purchases of £4,195,454 (2020: £3,907,755), received insurance costs of £2,504 (2020: £2,228), made software license and maintenance purchases of £97,305 (2020: £85,814), paid expenses in relation to the costs associated with Jamie West MBA which amounted to £4,996 (2020: £1,475) and also received recharged cost for capital expenditure of £65,608 (2020: £9,376). The balance owed to Metrohm AG at 31 December 2021 was £1,604,335 (2020: £1,663,277).

##### **Metrohm Autolab B.V. (fellow subsidiary)**

The company made stock purchases of £322,970 (2020: £394,595). The balance owed to Metrohm Autolab B.V. at 31 December 2021 was £16,895 (2020: £9,998).

##### **Metrohm Applikon B.V. (fellow subsidiary)**

The company made stock purchases of £358,727 (2020: £382,497). The balance owed to Metrohm Applikon B.V. at 31 December 2021 was £42,899 (2020: £3,758).

##### **Metrohm USA Inc. (fellow subsidiary)**

The company made stock purchases of £16,890 (2020: £327). The balance owed to Metrohm USA Inc. at 31 December 2021 was £Nil (2020: £Nil).

##### **Dropsens (fellow subsidiary)**

The company made stock purchases of £71,352 (2020: £73,662). The balance owed to Dropsens at 31 December 2021 was £Nil (2020: £4,145).

##### **BW Tek (fellow subsidiary)**

The company made stock purchases of £117,650 (2020: £235,819). The balance owed to BW Tek at 31 December 2021 was £18,176 (2020: £25,056).

##### **Metrohm Raman (fellow subsidiary)**

The company made stock purchases of £151,193 (2020: £32,530). The balance owed to Metrohm Raman at 31 December 2021 was £Nil (2020: £Nil).

##### **Deutsche Metrohm (fellow subsidiary)**

The company made stock purchases of £260 (2020: £164,651) and recharged costs of £Nil (2020: £83,284). The balance owed to Deutsche Metrohm at 31 December 2021 was £Nil (2020: £Nil).

#### 24 Controlling party

The parent company of Metrohm UK Limited is Metrohm AG, a company incorporated in Switzerland.

Metrohm AG is ultimately owned publicly by the Swiss Metrohm Foundation, a charitable organisation in Switzerland.

# METROHM UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 25 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	2,655,141	2,425,112
<b>Adjustments for:</b>		
Taxation charged	624,914	578,329
Investment income	(34)	(9,095)
Gain on disposal of tangible fixed assets	(1,312)	(9,678)
Depreciation and impairment of tangible fixed assets	89,712	88,927
Other gains and losses	(118,874)	(20,266)
Increase in provisions	4,573	63,000
<b>Movements in working capital:</b>		
Increase in stocks	(58,171)	(174,668)
Increase in debtors	(573,861)	(520,702)
Increase in creditors	145,450	923,397
<b>Cash generated from operations</b>	<b>2,767,538</b>	<b>3,344,356</b>

### 26 Analysis of changes in net funds - group

	1 January 2021 £	Cash flows £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	5,874,511	935,805	(34,092)	6,776,224

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.