

Company Registration No. 02569386 (England and Wales)

AMETEK (GB) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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AMETEK (GB) LIMITED

COMPANY INFORMATION

Directors	E Speranza P Zetti B P Wilson B Wileman (Appointed 1 June 2021)
Secretary	L Carino
Company number	02569386
Registered office	2 New Star Road Leicester LE4 9JD
Auditor	KPMG LLP St Nicholas House Park Row Nottingham NG1 6FQ
Business addresses	2 New Star Road Leicester LE4 9JD Spectrum House 1 Millers Business Centre Fishponds Close Wokingham RG41 2TZ

AMETEK (GB) LIMITED

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AMETEK (GB) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

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

	2021	2020	Change
	£'000	£'000	%
Turnover	31,662	25,892	22.28
Operating profit	6,892	5,188	32.85
Operating profit as % of sales	21.77%	20.04%	-
Net current assets	9,527	8,081	17.89
Total equity	16,931	16,223	4.36

Leicester Division

The business experienced a healthy recovery from the pandemic with revenue expanding 15.6% on a like-for-like basis, 23.9% including the acquisition of the trade of NSI-MI UK Limited, when compared to FY20. The rebound was seen across most major markets and operating units. As UK customers plan additional investment across FY22 the business expects to see further growth. Gross margins fell 193 basis points as a result of mix offset by a disciplined focus on operating expenses. Operational excellence will remain a key differentiator in the coming period, as the business offsets the supply chain impacts in the market.

AMT Division

The business experienced a healthy recovery from the pandemic with revenue up 19.2% compared to FY20. The primary drivers were strong demand from Asia and further investment in environmental projects in the UK. The business is forecasting a continued recovery in FY22 as trade conditions for our products normalise in Asia and UK customers plan additional investments. Gross margins improved 2.4% against the prior year from a continued focus on operational excellence, material deflation, and an increase in volume. Operating expenses were generally flat against the prior period, with travel expenses remaining below normal levels.

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 maintain our competitiveness.

The company is impacted by exchange rate 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.

Generally, business risks are mitigated by the company having a broad customer base covering a wide variety of industry sectors and products.

Financial risk management

The company's principal financial instruments comprise trade debtor, trade creditor and inter-company balances.

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.

AMETEK (GB) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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



B. Wileman

Director

23 September 2022

AMETEK (GB) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Company Registration No. 02569386

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

Principal activities

The principal activity of the company continued to be that of the manufacture and distribution of electro-mechanical testing equipment, direct current circuits and high-precision analytic measurement instrumentation and the distribution of electronic detection instrumentation and electric motors.

Directors

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

E Speranza

P Zetti

B P Wilson

B Wileman

A Ponsot

(Appointed 1 June 2021)

(Resigned 1 June 2021)

Directors' insurance

AMETEK Inc. has indemnified one or more 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.

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 2021 was £5,262,000 (2020: £7,725,000).

Going Concern

The Company has a consistent track record as a profitable, cash generating business and is in a net asset position at the balance sheet date. The Directors have given careful consideration to the cash flow forecasts for the 12 months following the signing of these accounts, which show continued profitability.

The Company's activities are to sell equipment and associated services to customers across its markets. A large proportion of the equipment is manufactured or sourced by other members of the group controlled by AMETEK Inc., the ultimate parent. The Directors have therefore given due consideration to the going concern of AMETEK Group. AMETEK, Inc. is listed in the United States of America, and the Company's Directors have reviewed the latest filed accounts, the latest quarterly announcements and forward-looking statements to assess the ability of the Group to continue as a going concern. These procedures indicate that the group will be able to continue to operate within its facilities through the going concern period.

Key assumptions considered by management when assessing going concern include adjusting management's best estimate of forecasted performance for factors including the general business environment, the continued impact of the pandemic which includes supply chain disruption, and inflationary pressures for the AMETEK Group companies supplying to the Company. These have been estimated for their respective impacts on the Company's revenues, fixed and variable costs, and resultant expected cash flow requirements.

The Company's forecasts and projections show that the Company has sufficient financial resources, both from the Company's robust balance sheet, healthy cash position, lack of reliance on external financing and its expected cash flow generation, sufficient for the going concern period. The Company has no external debt at the balance sheet date.

AMETEK (GB) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Consequently, financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Financial instruments

Details of financial instruments are set out in the strategic report on pages 1 - 2.

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 this 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.

Post reporting date events

The company has declared and made distributions amounting to £5,104,090 since 31 December 2021.

On 24 February 2022 Russia commenced military operations in Ukraine resulting in a number of countries (including the US, UK and EU) imposing new sanctions against certain entities and individuals in Russia. No adjustments have been made within these financial statements in respect of the conflict. The Directors note the Company has no significant exposure to Ukraine or Russia in either its supply chain or customers. Accordingly, the Directors do not consider the conflict will have any direct impact on its future financial performance or position. The Directors will continue to monitor the wider economic impact of the conflict and the exposure this has on the Company.

Future developments

We anticipate that global economic conditions will remain uncertain, but we remain confident of future profitability and continue to pursue cost saving initiatives.

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.

Auditor

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

AMETEK (GB) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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



B Wileman

Director

23 September 2022

AMETEK (GB) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent ;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing , as applicable, matters related to going concern;and
- use the going concern basis of accounting unless they intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

AMETEK (GB) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AMETEK (GB) LIMITED

Opinion

We have audited the financial statements of AMETEK (GB) Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

AMETEK (GB) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMETEK (GB) LIMITED

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, including the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board minutes;
- Considering remuneration incentive schemes and performance targets; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that maintenance contract revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements. We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Incorporating an element of unpredictability into our procedures over maintenance contract revenue; and
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law, regulatory capital and liquidity and certain aspects of company legislation recognising the nature of the Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

AMETEK (GB) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMETEK (GB) LIMITED

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statement does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in these reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. 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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

AMETEK (GB) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMETEK (GB) LIMITED

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.



**Adam Craig (Senior Statutory Auditor)
for and on behalf of KPMG LLP**

26 September 2022
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**Chartered Accountants
Statutory Auditor**

St Nicholas House
Park Row
Nottingham
NG1 6FQ

AMETEK (GB) LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	31,662	25,892
Cost of sales		(17,128)	(13,903)
Gross profit		14,534	11,989
Distribution costs		(7,051)	(6,395)
Administrative expenses		(2,411)	(2,244)
Other operating income	4	1,820	1,838
Operating profit	5	6,892	5,188
Interest receivable and similar income	8	21	4,577
Interest payable and similar expenses	9	(8)	-
Amounts written off investments	10	-	(4,565)
Profit before taxation		6,905	5,200
Taxation	11	(1,306)	(1,043)
Profit for the financial year		5,599	4,157

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

AMETEK (GB) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £'000	2020 £'000
Profit for the year	5,599	4,157
Other comprehensive income	-	-
Total comprehensive income for the year	<u>5,599</u>	<u>4,157</u>

AMETEK (GB) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Goodwill	13	6,093	6,821
Tangible assets	14	1,312	1,321
Investments	15	-	-
		<u>7,405</u>	<u>8,142</u>
Current assets			
Stocks	16	3,271	3,086
Debtors	17	7,942	6,653
Cash at bank and in hand		4,374	4,429
		<u>15,587</u>	<u>14,168</u>
Creditors: amounts falling due within one year	19	<u>(6,061)</u>	<u>(6,087)</u>
Net current assets		<u>9,526</u>	<u>8,081</u>
Total assets less current liabilities		<u><u>16,931</u></u>	<u><u>16,223</u></u>
Capital and reserves			
Called up share capital	21	1,100	1,100
Share premium account	22	-	7,169
Capital redemption reserve	23	2,434	2,434
Profit and loss reserves	24	13,397	5,520
Total equity		<u><u>16,931</u></u>	<u><u>16,223</u></u>

The financial statements were approved by the board of directors and authorised for issue on 23 September 2022 and are signed on its behalf by:



B. Wileman
Director

Company Registration No. 02569386

AMETEK (GB) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2020		1,100	7,169	2,434	8,902	19,605
Year ended 31 December 2020:						
Profit and total comprehensive income for the year		-	-	-	4,157	4,157
Dividends	12	-	-	-	(7,725)	(7,725)
Credit to equity for equity settled share-based payments		-	-	-	186	186
Balance at 31 December 2020		1,100	7,169	2,434	5,520	16,223
Year ended 31 December 2021:						
Profit and total comprehensive income for the year		-	-	-	5,599	5,599
Dividends	12	-	-	-	(5,262)	(5,262)
Credit to equity for equity settled share-based payments		-	-	-	371	371
Redemption of share premium account	22	-	(7,169)	-	7,169	-
Balance at 31 December 2021		1,100	-	2,434	13,397	16,931

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

AMETEK (GB) 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.

The company's ultimate parent undertaking, AMETEK Inc, includes the company in its consolidated financial statements. The consolidated financial statements of AMETEK Inc are available to the public and may be obtained from 2 New Star Road, Leicester LE4 9JD. In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- 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.

Group accounts

The Company has taken advantage of the exemption in section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the Company as a single entity.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons;

The Company has a consistent track record as a profitable, cash generating business and is in a net asset position at the balance sheet date. The Directors have prepared cash flow forecasts for the 12 months following the signing of these accounts, including severe but plausible downside scenarios which show continued profitability.

The Company's activities are to sell equipment and associated services to customers across its markets. A large proportion of the equipment is manufactured or sourced by other members of the group controlled by AMETEK Inc., the ultimate parent. The Directors have therefore given due consideration to the going concern of AMETEK Group. AMETEK, Inc. is listed in the United States of America, and the Company's Directors have reviewed the latest filed accounts, the latest quarterly announcements and forward-looking statements to assess the ability of the Group to continue as a going concern. These procedures indicate that the group will be able to continue to operate within its facilities through the going concern period.

The Company's forecasts and projections show that the Company has sufficient financial resources, both from the Company's robust balance sheet, healthy cash position, lack of reliance on external financing and its expected cash flow generation, to meet its liabilities as they fall due for a period of at least 12 months following the date of this report. The Company has no external debt at the balance sheet date.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Therefore the Board has a reasonable expectations that the Company has adequate resources to continue in operational existence for a period of not less than 12 months following the date of this report. For that reason the Company continues to adopt the going concern basis of accounting in preparing these financial statements and they do not include any adjustments that would result from the basis of preparation being inappropriate.

1.4 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 and services 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.

Revenue generated in respect of the provision of maintenance contracts has been recognised in the financial statements over the length of the maintenance contract.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 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 shall be considered to have a finite useful life, and shall be amortised on a systematic basis over the estimated useful life of the asset.

£10,175,000 of the goodwill recorded relates to the acquisition of the Solartron Analytical business in 2006. The goodwill was considered to have a useful economic life of 20 years from the acquisition date and this is considered to remain appropriate in view of the benefits that the company expects to continue to obtain from it in the future.

Goodwill amounting to £1,828,000 arose on the acquisition of the businesses of Atlas Materials Testing Technology Limited, Vision Research Limited, Spectro Analytical UK Limited and Powervar Limited. This goodwill is considered to have a useful economic life of 10 years from the acquisition date, taking into account the benefits that the company expects to obtain from it in the future.

Goodwill amounting to £3,887,000 was acquired on the acquisition of the business of Gatan Limited.

Goodwill amounting to £501,000 was acquired on the acquisition of NSI-MI UK Limited.

Intangible fixed assets represent customer lists acquired as part of the acquisition of businesses and are amortised over 5 years, which is the period over which the company expects to benefit.

1.7 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.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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:

Freehold property	2% per annum
Leasehold improvements	25% per annum
Plant and machinery	14% to 33% per annum
Fixtures, fittings & equipment	15% per annum

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.

1.8 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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

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.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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 the income statement.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

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.

1.11 Financial instruments

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.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

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.

Basic 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.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

1.14 Retirement benefits

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

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.15 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 balance sheet 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 balance sheet 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.

1.16 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.

1.17 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.

1.18 Government grants

Government grants are recognised as income over the periods when the related costs are incurred.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgments 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 recognized in the financial statements:

- Taxation on the determination of the amount of deferred tax assets that can be recognised, based on the likely level and timing of future profit.
- Stocks – the determination of provision required to ensure that inventories are 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 and intangible fixed assets.

3 Turnover

In the opinion of the directors it would be seriously prejudicial to the interest of the company to provide an analysis of turnover by geographic market or by separate class of business.

4 Other income

Other income includes Government grants received amounting to £3,000 (2020: £104,000).

5 Operating profit

	2021 £'000	2020 £'000
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	146	13
Research and development costs	189	312
Fees payable to the company's auditor for the audit of the company's financial statements	35	35
Depreciation of owned tangible fixed assets	261	329
Profit on disposal of tangible fixed assets	(49)	(26)
Amortisation of intangible assets	1,229	1,214
Cost of stocks recognised as an expense	14,946	11,468
Operating lease charges	420	343

6 Employees

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

	2021 Number	2020 Number
Production staff	8	4
Engineering staff	3	2
Sales staff	62	53
Administration staff	3	2
	<u>76</u>	<u>61</u>

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Employees

(Continued)

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	5,251	4,592
Social security costs	646	614
Pension costs	576	534
	<u>6,473</u>	<u>5,740</u>

The Company is a member of a group share based payment plan and it recognises and measures its share based payment expense on the basis of a reasonable allocation of the expense recognised from the group.

Included in wages and salaries is a charge for share-based payments of £371,000 (2020: £186,000) which all relates to equity-settled transactions, of which £316,000 (2020: £136,000) relates to restricted shares and £55,000 (2020: £50,000) 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.

7 Directors' remuneration

Directors' remuneration during the year amounted to £nil (2020 - £nil)

The number of directors who exercised share options during the year was 0 (2020 - 1).

The number of directors who received shares under long term incentive schemes during the year was 0 (2020 - 1).

8 Interest receivable and similar income

	2021 £'000	2020 £'000
Interest income		
Interest on bank deposits	-	1
Interest receivable from group undertakings	14	23
Other interest income	7	10
	<u>21</u>	<u>34</u>
Total interest income		
	21	34
Income from fixed asset investments		
Income from shares in group undertakings	-	4,543
	<u>21</u>	<u>4,577</u>
Total interest receivable and similar income		
	21	4,577

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Interest payable and similar expenses

	2021	2020
	£'000	£'000
Other interest	8	-
	<u>8</u>	<u>-</u>

10 Amounts written off investments

	2021	2020
	£'000	£'000
Amounts written off investments	-	4,565
	<u>-</u>	<u>4,565</u>

11 Taxation

	2021	2020
	£'000	£'000
Current tax		
UK corporation tax on profits for the current period	1,514	1,138
Adjustments in respect of prior periods	43	(29)
	<u>1,557</u>	<u>1,109</u>
Deferred tax		
Origination and reversal of timing differences	(68)	(54)
Changes in tax rates	(145)	(37)
Adjustment in respect of prior periods	(38)	25
	<u>(251)</u>	<u>(66)</u>
Total tax charge	<u>1,306</u>	<u>1,043</u>

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Taxation

(Continued)

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 £'000	2020 £'000
Profit before taxation	6,905	5,200
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,312	988
Tax effect of expenses that are not deductible in determining taxable profit	134	86
Amounts written off investments	-	867
Adjustments in respect of prior years	5	(4)
Effect of changes in tax rates	(145)	(31)
Dividend income	-	(863)
Taxation charge for the year	1,306	1,043

The company's profits for this accounting period are taxed at a rate of 19%. In his Spring 2021 Budget statement on 3 March 2021, the Chancellor of the Exchequer announced a major reform to the corporate tax regime, with an increase in the rate of tax from 19% to 25% to apply from April 2023. Deferred tax balances at 31 December 2021 have been stated at 25%.

12 Dividends

	2021 £'000	2020 £'000
Ordinary dividend paid	5,262	7,725

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

13 Intangible fixed assets

	Goodwill £'000	Patents £'000	Total £'000
Cost			
At 1 January 2021	15,890	860	16,750
Additions - separately acquired	501	-	501
At 31 December 2021	16,391	860	17,251
Amortisation and impairment			
At 1 January 2021	9,069	860	9,929
Amortisation charged for the year	1,229	-	1,229
At 31 December 2021	10,298	860	11,158
Carrying amount			
At 31 December 2021	6,093	-	6,093
At 31 December 2020	6,821	-	6,821

The intangible assets above arose through business combinations. Amortisation is charged to administration costs in the income statement.

14 Tangible fixed assets

	Freehold property £'000	Leasehold improvements £'000	Plant and machinery £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost					
At 1 January 2021	557	544	2,317	149	3,567
Additions	-	37	85	201	323
Disposals	-	(27)	(440)	(183)	(650)
Intra-group transfers	-	85	-	181	266
At 31 December 2021	557	639	1,962	348	3,506
Depreciation and impairment					
At 1 January 2021	59	278	1,788	121	2,246
Depreciation charged in the year	12	42	193	14	261
Eliminated in respect of disposals	-	(27)	(374)	(177)	(578)
Intra-group transfers	-	85	6	174	265
At 31 December 2021	71	378	1,613	132	2,194
Carrying amount					
At 31 December 2021	486	261	349	216	1,312
At 31 December 2020	498	-	529	28	1,321

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Fixed asset investments

Movements in fixed asset investments

	Shares in group undertakings £'000
Cost or valuation	
At 1 January 2021	4,565
Disposals	(4,565)
At 31 December 2021	-
Impairment	
At 1 January 2021	4,565
Disposals	(4,565)
At 31 December 2021	-
Carrying amount	
At 31 December 2021	-
At 31 December 2020	-

Gatan U.K. Limited (being the Company's subsidiary undertaking) was dissolved during the year.

16 Stocks

	2021 £'000	2020 £'000
Raw materials and consumables	1,378	1,457
Finished goods and goods for resale	1,893	1,629
	<u>3,271</u>	<u>3,086</u>

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

17 Debtors

	2021	2020
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	3,158	2,644
Amounts due from fellow subsidiary undertakings	3,171	3,285
Corporation tax recoverable	135	-
Other debtors	436	10
Prepayments and accrued income	440	362
	<u>7,340</u>	<u>6,301</u>
Deferred tax asset (note 18)	602	352
	<u>7,942</u>	<u>6,653</u>

18 Deferred taxation

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

	Assets 2021	Assets 2020
Balances:	£'000	£'000
Decelerrated capital allowances	513	300
Other timing differences	89	52
	<u>602</u>	<u>352</u>

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Deferred taxation (Continued)

	2021 £'000
Movements in the year:	
Asset at 1 January 2021	(352)
Credit to profit or loss	(68)
Effect of change in tax rate - profit or loss	(145)
Prior year adjustment	(38)
	<hr/>
Asset at 31 December 2021	(602)
	<hr/>

The company expects deferred tax assets of £79,000 to reverse in 2022.

19 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	1,381	699
Amounts due to fellow subsidiary undertakings	1,171	1,491
Corporation tax	-	829
Other taxation and social security	322	542
Other creditors	4	9
Accruals and deferred income	3,183	2,517
	<hr/>	<hr/>
	6,061	6,087
	<hr/>	<hr/>

20 Retirement benefit schemes

The charge to profit and loss in respect of defined contribution schemes was £576,000 (2020: £534,000).

21 Share capital	2021 £'000	2020 £'000
Ordinary share capital Issued and fully paid		
1,100,003 Ordinary Shares of £1 each	1,100	1,100
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

22 Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs. The share premium account was reduced to £nil during the year.

23 Capital redemption reserve

This reserve records amounts received in respect of purchase of own shares.

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

24 Profit and loss reserves

This account includes all current and prior period retained profits and losses.

25 Operating lease commitments

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:

	2021 £'000	2020 £'000
Within one year	377	297
Between two and five years	637	504
In over five years	128	200
	<u>1,142</u>	<u>1,001</u>

26 Acquisition of businesses

On 1 September 2021, the company acquired the trade and assets of a group subsidiary, NSI-MI UK Limited. The business is involved in the distribution of microwave test systems.

Effect of acquisition

	Recognised values on acquisition £'000
Fixed assets	5
Trade and other debtors	1,192
Cash at bank and in hand	1,401
Trade and other creditors	(1,382)
Provisions	(17)
	<u>1,199</u>
Goodwill	501
	<u>1,700</u>
Total consideration	<u>1,700</u>
Satisfied by:	£'000
Cash	<u>1,700</u>
Contribution by the acquired business for the reporting period since acquisition:	£'000
Turnover	-
Net profit	-

AMETEK (GB) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

27 Financial commitments, guarantees and contingent liabilities

The company has issued bank guarantees to the value of £334,000 (2020: £334,000).

28 Related party transactions

The company is a wholly owned subsidiary of AMETEK Inc. Consequently, the company is exempt under section 33.1A of FRS 102 'related party disclosures' from disclosing related party transactions with wholly owned subsidiaries of AMETEK Inc.

29 Events after the reporting date

The company has declared and made distributions amounting to £5,104,090 since 31 December 2021.

On 24 February 2022 Russia commenced military operations in Ukraine resulting in a number of countries (including the US, UK and EU) imposing new sanctions against certain entities and individuals in Russia. No adjustments have been made within these financial statements in respect of the conflict. The Directors note the Company has no significant exposure to Ukraine or Russia in either its supply chain or customers. Accordingly, the Directors do not consider the conflict will have any direct impact on its future financial performance or position. The Directors will continue to monitor the wider economic impact of the conflict and the exposure this has on the Company.

30 Ultimate controlling party

The immediate parent company and controlling party is AMETEK Instruments Group UK Limited, a company registered at 2 New Star Road, Leicester LE4 9JD UK.

The ultimate parent company 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, copies of which can be obtained from 2 New Star Road, Leicester LE4 9JD.