



**Stella-Meta Limited**  
**Annual report and financial statements**  
**for the period ended 31 December 2021**

Registered number: 06414516

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**Stella-Meta Limited**

**Annual report and financial statements  
for the period ended 31 December 2021**

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**Stella-Meta Limited**

**Strategic report  
for the period ended 31 December 2021**

The directors present their Strategic report on the Company for the period ended 31 December 2021.

**Principal activities**

The principal activity of the Company during the period was the assembly, installation and repair of water filtration plant until October 2021 when the Company ceased to trade, transferring its trade to its parent company.

**Review of the business and future developments**

Following the cessation of trade in October 2021, the financial position at the end of the year is in line with the expectations of the directors. The results for the year ended 31 December 2021 are set out on page 7 with the Company showing a loss before tax of £12k (2020: profit £45k). Turnover for the year was £183k (2020: £292k). The total equity and retained earnings for the Company total £485k (2020: £498k). Notwithstanding this there are no current plans to liquidate the company.

The directors do not anticipate a change in the nature of the Company's activities in the coming year.

**Principal risks and uncertainties**

As a non-trading company with minimal short-term liabilities, the business has no risks that are considered to have significant impact on the future operation of the company.

**Financial risk management**

The Company's operations expose it to a variety of financial risks that include, interest rate risk and credit risk.

At 31 December 2021 all of the Company's funding was provided via a cash pool facility from Trelleborg Treasury AB. Interest rate risk includes exposure to changes in the UK Base Rate as interest rates are variable.

As a subsidiary of Trelleborg AB (publ) further details of Group policies in relation to external financial risks can be found in the Annual Report and Financial Statements of Trelleborg AB (publ).

**Key performance indicators ("KPIs")**

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the board of directors and signed on its behalf by:

*Neil Davies*

Neil Davies  
Director  
30/3/2022

## **Stella-Meta Limited**

### **Directors' report for the period ended 31 December 2021**

The directors present their report and the audited financial statements of the Company for the period ended 31 December 2021.

#### **Future developments**

An indication of future developments of the business is included in the Strategic Report on page 1.

#### **Dividends**

The directors recommend payment of a final dividend of £370k (£185k per ordinary share) (2020: £nil) subject to shareholder approval at the Annual General Meeting.

#### **Financial risk management**

Financial risk management is described in the Strategic Report on pages 1 and 2.

#### **Directors**

The directors of the Company who were in office during the period and up to the date of signing the financial statements unless otherwise stated were:

Kent Bergenholtz  
Neil Davies  
Bo Haugsted

#### **Directors' indemnities**

The Company maintained throughout the period, and at the date of approval of the financial statements, liability insurance for its directors and officers. This is a qualifying provision for the purposes of the Companies Act 2006.

#### **Post balance sheet events**

There were no significant events between the Balance Sheet date and the date of signing the financial statements, affecting the Company, which require adjustment to or disclosure in the financial statements.

#### **Going concern**

The financial statements have been prepared on the basis other than that of a going concern on the grounds that the Company's trade has ceased. The directors do not expect that the Company will recommence trading and accordingly the going concern basis of preparation is no longer appropriate.

#### **Directors' statement of responsibilities**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to

**Stella-Meta Limited**

**Directors' report  
for the period ended 31 December 2021 (continued)**

**Directors' statement of responsibilities (continued)**

any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to the auditor**

In the case of each of the persons who are directors at the time when this report is approved under section 418 of the Companies Act 2006 the following applies:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Independent auditor**

A resolution to reappoint Hazlewoods LLP as auditor will be proposed at the Annual General Meeting.

Approved by the board of directors and signed on its behalf by:

*Neil Davies*

Neil Davies

Director

30/3/2022

Registered number: 06414516

Trelleborg Sealing Solutions UK Limited  
International Drive  
Tewkesbury Business Park  
Tewkesbury  
GL20 8UQ

## **Independent auditor's report to the members of Stella-Meta Limited (continued)**

### **Opinion**

We have audited the financial statements of Stella-Meta Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of income and retained earnings, Balance sheet and Notes to the Financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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.

### **Emphasis of matter – financial statements prepared other than on a going concern basis**

We draw attention to note 3 in the financial statements, which indicates that the financial statements have been prepared on a basis other than a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## **Independent auditor's report to the members of Stella-Meta Limited (continued)**

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

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

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

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

### **Responsibilities of directors**

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

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

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

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

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:

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned in accordance with the ISA's (UK).

- We obtained an understanding of the legal and regulatory requirements applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws;
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes.
- We assessed the susceptibility of the company's financial statements to material misstatement including how fraud might occur. Audit procedures performed by the engagement team included:

## **Independent auditor's report to the members of Stella-Meta Limited (continued)**

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- identifying and testing journal entries, in particular, any journal entries posted with unusual characteristics.

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

### **Use of this 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.



Rebecca Copping (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court  
Staverton  
Cheltenham  
Gloucestershire  
GL51 0UX

31/03/2022



**Stella-Meta Limited****Statement of income and retained earnings  
for the period ended 31 December 2021**

	Note	2021 £000	2020 £000
<b>Turnover</b>	5	<b>183</b>	292
Cost of sales		(106)	(154)
<b>Gross profit</b>		<b>77</b>	138
Administrative expenses		(89)	(105)
Other operating gains		-	12
<b>Operating (loss)/profit</b>	6	<b>(12)</b>	45
Interest receivable and similar income	8	-	-
<b>(Loss)/profit before taxation</b>		<b>(12)</b>	45
Tax on (loss)/profit	9	(1)	-
<b>(Loss)/profit for the financial year attributable to the equity shareholder of the Company</b>		<b>(13)</b>	45
Retained earnings at 1 January		498	453
<b>Retained earnings at 31 December</b>		<b>485</b>	498

All above operations arise from discontinued activities.

There are no recognised gains and losses for the financial periods other than those included above. Accordingly, no separate statement of comprehensive income or statement of changes in equity is presented.

The notes on pages 9 to 20 are an integral part of these financial statements.

**Stella-Meta Limited****Balance sheet at 31 December 2021**

	Note	2021 £000	2021 £000	2020 £000	2020 £000
<b>Fixed assets</b>					
Intangible assets	11		-		-
Tangible assets	12		-		-
			-		-
<b>Current assets</b>					
Stocks	13	1		2	
Debtors	14	496		573	
Cash at bank and in hand		-		4	
		497		579	
<b>Creditors: amounts falling due within one year</b>	15	(12)		(81)	
<b>Net current assets</b>			485		498
<b>Total assets less current liabilities</b>			485		498
<b>Net assets</b>			485		498
<b>Capital and reserves</b>					
Called up share capital	17		-		-
Profit and loss account	17		485		498
<b>Shareholder's funds</b>			485		498

The notes on pages 9 to 20 are an integral part of these financial statements.

The financial statements on pages 7 to 20 were authorised for issue by the board of directors on 30/3/2022 and were signed on its behalf by:

*Neil Davies*

Neil Davies  
Director

Registered no. 06414516

## **Stella-Meta Limited**

### **Notes to the financial statements for the period ended 31 December 2021**

#### **1 General Information**

Stella-Meta Limited ("the Company") supplies components to mechanical and general engineers.

The Company is a private company limited by shares and is incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of its registered office is Trelleborg Sealing Solutions UK Limited, International Drive, Tewkesbury Business Park, Tewkesbury, GL20 8UQ and its place of business is Rolwey House, School Close, Chandlers Ford, Eastleigh, Hampshire, SO53 4BY.

#### **2 Statement of compliance**

The financial statements of Stella-Meta Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") issued by the Financial Reporting Council and the Companies Act 2006.

#### **3 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The Company has ceased to trade and as there are no plans to do so in the future the going concern basis of preparation is not appropriate. The financial statements have therefore been prepared on a basis other than going concern. Notwithstanding this, there are no current plans to liquidate the company. No material adjustments arose when preparing the financial statements on a basis other than going concern.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

##### **Going concern**

As mentioned above, the Company ceased to trade in October 2021, transferring its trade to its parent company, and as there are no plans to trade in the future the going concern basis of preparation is not appropriate. The financial statements have therefore been prepared on a basis other than going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

##### **Exemptions for qualifying entities under FRS102**

FRS102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions. The Company has taken advantage of the following exemptions on the basis that the information is included in the consolidated financial statements of the Company's ultimate parent undertaking, Trelleborg AB (publ), a company registered in Sweden in which the Company is consolidated:

- from preparing a statement of cash flows;
- from the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and the paragraphs 12.26 to 12.29; an

## **Stella-Meta Limited**

### **Notes to the financial statements for the period ended 31 December 2021 (continued)**

#### **3 Summary of significant accounting policies (continued)**

- from disclosing the Company key management personnel compensation, as required by FRS102 paragraph 33.7.

The Company has also taken advantage of the exemption in accordance with s400 of the Companies Act 2006 and has not prepared consolidated financial statements on the basis that the results of the Company and its subsidiaries are consolidated into the results of Trelleborg AB (publ).

The consolidated financial statements of Trelleborg AB (publ) can be obtained from the address given in note 20.

#### **Foreign currency**

##### *Functional and presentation currency*

The Company's functional currency is pound sterling which is presented in the financial statements rounded to thousands.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within net interest (expense)/income. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within Administrative expenses.

#### **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for goods and services sold, net of discounts, exchange-rate differences where sales are conducted in foreign currencies and value added taxes.

##### *Sale of goods*

Revenue is recognised when the Company has fulfilled its obligations under the terms of sale and title of the goods has been transferred to the buyer.

##### *Contracts and sales of services*

Revenue recognition is conducted using the percentage of completion method. Revenue is recognised on the basis of the stage of completion whereby it is probable that the Company will obtain the financial benefits related to the assignment, and when a reliable calculation can be made. The stage of completion is determined on the basis of costs incurred in relation to total calculated costs. Anticipated losses are expensed immediately.

## **Stella-Meta Limited**

### **Notes to the financial statements for the period ended 31 December 2021 (continued)**

#### **3 Summary of significant accounting policies (continued)**

##### *Interest income*

Interest income is recognised using the effective interest rate method.

##### **Employee benefits**

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

##### *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### *Defined contribution pension plan*

The Company operates a defined contribution pension plan for its employees. The contributions to the plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in separately administered funds.

##### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of income and retained earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

##### *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities of other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### **Goodwill**

Goodwill arises on business combinations and represents the excess of the fair value of directly attributable costs of the purchase consideration over the fair values of the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the statement of income and retained earnings within Administrative expenses. Reversals of impairment are recognised when the reasons for the

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****3 Summary of significant accounting policies (continued)**

impairment no longer apply. Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Research and development costs**

Research and development costs are recognised as an expense as incurred.

**Tangible assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bring the asset to its working condition for its intended use.

Depreciation is calculated to allocate cost to the assets' residual values over their estimated useful lives, as follows:

- |                                    |                   |
|------------------------------------|-------------------|
| • Leasehold property improvements  | 20% straight line |
| • Fixtures, fittings and equipment | 20% straight line |

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

**Leased assets***Operating leases*

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of income and retained earnings on a straight line basis over the period of the lease.

*Lease incentives*

Incentives received to enter into an operating lease are credited to the statement of income and retained earnings, to reduce the lease expense, on a straight line basis over the period of the lease.

**Impairment of assets**

Assets, other than those measured as fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss as described below.

*Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the assets has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****3 Summary of significant accounting policies (continued)**

recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

*Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the first-in-first-out method. For finished products and work in progress, cost consists of raw materials, direct personnel costs, other direct costs and related indirect production costs. Normal capacity utilisation is used in the measurement of stocks. Provision is made for obsolete, slow-moving or defective items where appropriate.

**Provisions and contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation resulting from past events and it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. No provisions are made for future operating losses.

**Financial instruments**

The Company has adopted Sections 11 and 12 of FRS102 in respect of financial instruments.

*Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing arrangement, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****3 Summary of significant accounting policies (continued)**

party.

*Financial liabilities*

Basic financial liabilities, including trade and other payables, and loans from fellow group companies 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each reporting date. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

*Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of transaction costs.

*Fair value measurement*

The best evidence of fair value is a quoted price of an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

**Distributions to equity holder**

Dividends to the Company's shareholder are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholder. These amounts are recognised in the statement of income and retained earnings.

**Related party transactions**

The Company discloses transactions with related parties which are not wholly owned with the same group. It has taken advantage of the exemption in FRS102 paragraph 33.1A and does not disclose transactions with members of the same group that are wholly owned.

**4 Critical accounting judgements and key sources of estimation uncertainty**

Company management and the board of directors make critical estimates and assumptions about the future. These estimates and assumptions significantly impact the amounts reported for assets and liabilities as well as revenues and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. Estimates and assumptions that may have a significant effect on the Company's earnings and financial position are as follows:



**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****4 Critical accounting judgements and key sources of estimation uncertainty (continued)****Key sources of estimation uncertainty**

No significant estimates have been made in applying the accounting policies which would have a material effect on the financial statements.

**Significant accounting judgements in applying the accounting policies**

No significant judgements have been made in applying the accounting policies which would have a material effect on the financial statements

**5 Turnover**

Analysis of turnover by geography:

	<b>2021 £000</b>	<b>2020 £000</b>
Europe	<b>51</b>	-
North America	<b>80</b>	42
Total exports	<b>131</b>	42
United Kingdom	<b>52</b>	250
	<b>183</b>	292

Analysis of turnover by category:

	<b>2021 £000</b>	<b>2020 £000</b>
Sales of goods	<b>161</b>	292
Services	<b>22</b>	-
	<b>183</b>	292

**6 Operating profit**

Operating profit is stated after charging/(crediting):

	<b>2021 £000</b>	<b>2020 £000</b>
Audit fees payable to the Company's auditor – auditing of the financial statements	<b>8</b>	17

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****7 Employees and employee benefits  
(a) Employees**

	<b>2021 £000</b>	<b>2020 £000</b>
Wages and salaries	<b>52</b>	48
Social security costs	<b>3</b>	7
Other pension costs	<b>2</b>	3
<b>Staff costs</b>	<b>57</b>	58

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

By activity	<b>2021 No.</b>	<b>2020 No.</b>
Other	<b>1</b>	1
<b>Total employees</b>	<b>1</b>	1

**(b) Directors**

None of the directors received any emoluments in connection with the management of the Company or otherwise in respect of their position as directors of the Company (2020: £nil).

No director exercised any share options during the year, nor were any shares received or receivable by the directors in respect of qualifying services under a long-term incentive scheme.

**8 Net interest expense/income**

<b>Interest receivable and similar income</b>	<b>2021 £000</b>	<b>2020 £000</b>
Interest receivable from group undertakings	-	-

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****9 Tax on (loss)/profit****(a) Tax charge/(income) included in profit or loss**

	<b>2021 £000</b>	<b>2020 £000</b>
Current tax:		
UK Corporation tax on (losses)/profits for the year	(3)	-
Adjustment in respect of prior periods	3	
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences	1	-
Adjustment in respect of prior periods	-	(1)
Total deferred tax	1	(1)
<b>Tax on (loss)/profit</b>	<b>1</b>	<b>(1)</b>

**(b) Reconciliation of tax charge**

Tax assessed for the year is higher (2020: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2021 of 19% (2020: 19%). The differences are explained below:

	<b>2021 £000</b>	<b>2020 £000</b>
(Loss)/profit before tax	(12)	128
(Loss)/profit multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	(3)	24
Expenses not deductible for tax purposes	1	-
Group relief not paid for	-	(24)
Adjustments to tax charge in respect of prior periods	3	(1)
<b>Tax charge/(credit) for the year</b>	<b>1</b>	<b>(1)</b>

**(c) Tax rate changes**

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 24 May 2021). These included an increase in the main rate to 25% from 1 April 2023. Deferred taxes at the balance sheet date have been measured using the enacted tax rates where appropriate and reflected in these financial statements.

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****10 Dividends**

A final dividend has been proposed for the year ended 31 December 2021, subject to shareholder approval at the forthcoming Annual General Meeting. This is expected to distribute £370k of reserves. The dividend has not been accounted for within the current year financial statements as it has yet to be approved.

**11 Intangible assets**

	<b>Goodwill £000</b>
<b>Cost</b>	
At 1 January 2021 and at 31 December 2021	201
<b>Accumulated amortisation and impairment</b>	
At 1 January 2021 and at 31 December 2021	201
<b>Net book amount at 31 December 2021 and 31 December 2020</b>	-

Amortisation of intangible assets is recognised within administrative expenses.

**12 Tangible fixed assets**

	<b>Leasehold property improvements £000</b>	<b>Fixtures fittings and equipment £000</b>	<b>Total £000</b>
<b>Cost</b>			
At 1 January 2021	34	12	46
Disposals	(34)	(12)	(46)
At 31 December 2021	-	-	-
<b>Accumulated depreciation and impairment</b>			
At 1 January 2021	34	12	46
Depreciation	-	-	-
Disposals	(34)	(12)	(46)
At 31 December 2021	-	-	-
<b>Net book amount at 31 December 2021</b>	-	-	-
<b>Net book amount at 31 December 2020</b>	-	-	-

Fixed assets are included at full historical cost to the Company.

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****13 Stocks**

	<b>2021 £000</b>	<b>2020 £000</b>
Finished goods and goods for resale	<b>1</b>	<b>2</b>
	<b>1</b>	<b>2</b>

There was no significant difference between the replacement cost of stocks and their carrying amounts.

Stocks are stated after provisions for impairment of £nil (2020: £nil).

**14 Debtors**

	<b>2021 £000</b>	<b>2020 £000</b>
Trade debtors	<b>27</b>	<b>16</b>
Amounts owed by group undertakings	<b>467</b>	<b>556</b>
Deferred tax asset (note 16)	<b>-</b>	<b>1</b>
Other taxation and social security	<b>2</b>	<b>-</b>
	<b>496</b>	<b>573</b>

The Company operates its bank accounts within a group cash pool facility operated by a fellow subsidiary. The balances attract interest based on either UK or Swedish Base rate and are included within amounts owed by group undertakings falling due within one year. The balances are repayable on demand and are unsecured.

Amounts owed by group undertakings include trade balances.

**15 Creditors: amounts falling due within one year**

	<b>2021 £000</b>	<b>2020 £000</b>
Trade creditors	<b>2</b>	<b>8</b>
Group relief payable	<b>1</b>	<b>-</b>
Other taxation and social security	<b>1</b>	<b>17</b>
Accruals	<b>8</b>	<b>16</b>
Deferred Income	<b>-</b>	<b>40</b>
	<b>12</b>	<b>81</b>

**Stella-Meta Limited****Notes to the financial statements  
for the period ended 31 December 2021 (continued)****16 Deferred tax**

Deferred tax consists of the following deferred tax liabilities/(assets):

	<b>2021 £000</b>	<b>2020 £000</b>
Accelerated capital allowances	-	(1)

The net deferred tax asset expected to reverse in 2021 is £nil. The timing differences have no expiry dates.

There are no unused tax losses or unused tax credits.

**17 Called up share capital and reserves****(a) Called up share capital**

	<b>No.</b>	<b>£000</b>
Allotted and fully paid ordinary shares of £1 each		
At 1 January 2021 and at 31 December 2021	<b>2</b>	-

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

There were no changes to share capital during the year.

**(b) Reserves**

Profit and loss account – This represents cumulative profits or losses net of dividends paid and other adjustments.

**18 Capital and other commitments**

The Company has no capital commitments as at 31 December 2021 and 31 December 2020.

The Company does not have any operating leases as at 31 December 2021 or 31 December 2020.

**19 Related party transactions**

The Company has taken advantage of the exemption contained within FRS102 and not disclosed transactions or balances with companies that are fellow wholly owned subsidiaries of Trelleborg AB (publ).

**20 Controlling parties**

The immediate parent undertaking is Blue Diamond Technologies Limited.

The ultimate parent undertaking, controlling party and smallest and largest group to consolidate these financial statements is Trelleborg AB (publ), a company incorporated in Sweden. The registered office of Trelleborg AB (publ) is PO Box 153, S-231 22, Trelleborg, Sweden and copies of the consolidated financial statements can be obtained from this address.