

Company registration number 05296490 (England and Wales)

CHAMOIS METROLOGY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



CHAMOIS METROLOGY LIMITED

COMPANY INFORMATION

Directors

Y Jansen
J Shan
J Spick (Appointed 1 April 2023)

Company number

05296490

Registered office

Unit 8
The Centre
Holywell Business Park
Southam
Warwickshire
CV47 0FP

Auditor

Anova
The Barn, Meadow Court
Faygate Lane
Faygate
Horsham
West Sussex
RH12 4SJ

CHAMOIS METROLOGY LIMITED

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CHAMOIS METROLOGY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of UKAS accredited calibration and instrument supply solutions.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £800,000.

Directors

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

Y Jansen

J Shan

D Cowan

(Resigned 23 February 2023)

J Spick

(Appointed 1 April 2023)

Auditor

Anova were appointed as auditors to the Company and in accordance with Section 485 of the Companies Act 2006, a resolution proposing that they be reappointed will be put at a General Meeting.

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.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

J Spick

Director

15 June 2024

CHAMOIS METROLOGY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

CHAMOIS METROLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHAMOIS METROLOGY LIMITED

Opinion

We have audited the financial statements of Chamois Metrology Limited (the 'company') for the year ended 31 December 2023 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (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 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

CHAMOIS METROLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHAMOIS METROLOGY LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

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

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

CHAMOIS METROLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHAMOIS METROLOGY LIMITED

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

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

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

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

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

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

Other matter

In the previous accounting period the directors of the company took exemption from audit under section 477 of the Companies Act 2006, therefore the prior period financial statements were not subject to audit.

Use of our report

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

CHAMOIS METROLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHAMOIS METROLOGY LIMITED

Matthew Cleghorn FCA BSc (Hons) (Senior Statutory Auditor)
For and on behalf of Anova

18 June 2024

Chartered Accountants
Statutory Auditor

The Barn, Meadow Court
Faygate Lane
Faygate
Horsham
West Sussex
RH12 4SJ

CHAMOIS METROLOGY LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 December 2023	Period ended 31 December 2022 as restated
	Notes	£	£
Revenue	4	3,167,836	1,618,683
Cost of sales		(1,179,981)	(629,970)
Gross profit		<u>1,987,855</u>	<u>988,713</u>
Administrative expenses		(1,303,990)	(671,180)
Exceptional items	5	-	(98,259)
Operating profit	7	<u>683,865</u>	<u>219,274</u>
Finance costs	9	(4,617)	(3,960)
Profit before taxation		<u>679,248</u>	<u>215,314</u>
Tax on profit	10	(173,233)	(38,429)
Profit and total comprehensive income for the financial year	22	<u><u>506,015</u></u>	<u><u>176,885</u></u>

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

CHAMOIS METROLOGY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Non-current assets					
Property, plant and equipment	12		145,473		90,721
Right-of-use assets	12		145,398		211,207
			<u>290,871</u>		<u>301,928</u>
Current assets					
Inventories	13	48,602		25,346	
Trade and other receivables	14	795,063		385,751	
Cash and cash equivalents		630,163		916,852	
		<u>1,473,828</u>		<u>1,327,949</u>	
Current liabilities	15	<u>(1,139,034)</u>		<u>(678,271)</u>	
Net current assets			<u>334,794</u>		<u>649,678</u>
Total assets less current liabilities			<u>625,665</u>		<u>951,606</u>
Non-current liabilities	15		(89,003)		(148,632)
Provisions for liabilities					
Deferred tax liabilities	18		(27,673)		-
Net assets			<u>508,989</u>		<u>802,974</u>
Equity					
Called up share capital	21		1,000		1,000
Retained earnings	22		507,989		801,974
Total equity			<u>508,989</u>		<u>802,974</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 15 June 2024 and are signed on its behalf by:

J Spick
Director

Company registration number 05296490 (England and Wales)

CHAMOIS METROLOGY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Retained earnings	Total
	£	£	£
As restated for the period ended 31 December 2022:			
Balance at 1 January 2022	1,000	625,089	626,089
As restated	1,000	625,089	626,089
Period ended 31 December 2022:			
Profit and total comprehensive income	-	176,885	176,885
Balance at 31 December 2022	1,000	801,974	802,974
Year ended 31 December 2023:			
Profit and total comprehensive income	-	506,015	506,015
Transactions with owners:			
Dividends	11	(800,000)	(800,000)
Balance at 31 December 2023	1,000	507,989	508,989

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Chamois Metrology Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 8, The Centre, Holywell Business Park, Southam, Warwickshire, CV47 0FP. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The prior year's accounts have been prepared for a 7 month period to end on 31 December in order to align with the group reporting requirements. The comparative amounts presented in the financial statements (including the related notes) are therefore not entirely comparable.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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

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

The company meets the definition of a qualifying entity under FRS 101 Reduced Disclosure Framework. These financial statements for the year ended 31 December 2023 are the first financial statements of Chamois Metrology Limited prepared in accordance with FRS 101. The company transitioned from FRS 102 section 1A to FRS 101 for all periods presented and the date of transition to FRS 101 was 1 June 2022.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;;
- comparative narrative information;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of NMI UK Holdco Limited. The group accounts of NMI UK Holdco Limited are available to the public and can be obtained as set out in note 23.

Chamois Metrology Limited is a wholly owned subsidiary of NMI UK Holdco Limited and the results of Chamois Metrology Limited are included in the consolidated financial statements of NMI UK Holdco Limited which are available from Suite 1, 7th Floor, 50 Broadway, London, SW1H 0DB.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.4 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

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

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	20% reducing balance
Plant and equipment	20% reducing balance
Motor vehicles	25% reducing balance
Demo equipment	20% reducing balance
Right of use asset	Straight line over lease term

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of tangible and intangible assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Inventories

Inventories 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 inventories to their present location and condition.

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial assets

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, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

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

1.12 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the 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 the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

1.13 Employee benefits

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

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

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

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.14 Retirement benefits

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

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.16 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 in the period are included in profit or loss.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

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

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

3 Subcontracted work and other external charges

	2023	2022
	£	£
Third party testing	78,729	41,497
Secondment	-	-
OIML Certificates	-	-
Travel and shipping	65,322	32,341
Raw materials and consumables	1,035,931	556,143
Other external charges	-	-
	<u>1,179,982</u>	<u>629,981</u>

4 Revenue

	2023	2022
	£	£
Revenue analysed by geographical market		
Europe	3,167,836	1,618,683
	<u>3,167,836</u>	<u>1,618,683</u>

5 Exceptional items

	2023	2022
	£	£
Expenditure		
Exceptional fees	-	98,259
	<u>-</u>	<u>98,259</u>

6 Employees

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

	2023	2022
	Number	Number
	22	20
	<u>22</u>	<u>20</u>

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Employees		(Continued)	
Their aggregate remuneration comprised:			
	2023	2022	
	£	£	
Wages and salaries	870,708	411,719	
Social security costs	92,526	51,029	
Pension costs	38,625	28,003	
Other employment costs	2,632	2,570	
	<u>1,004,491</u>	<u>493,321</u>	
	<u><u>1,004,491</u></u>	<u><u>493,321</u></u>	
7 Operating profit			
	2023	2022	
	£	£	
Operating profit for the year is stated after charging/(crediting):			
Exchange losses	1,122	-	
Fees payable to the company's auditor for the audit of the company's financial statements	11,500	-	
Depreciation of property, plant and equipment	88,057	55,602	
Cost of inventories recognised as an expense	1,096,829	629,970	
	<u>1,197,508</u>	<u>735,572</u>	
	<u><u>1,197,508</u></u>	<u><u>735,572</u></u>	
8 Directors' remuneration			
	2023	2022	
	£	£	
Remuneration for qualifying services	98,969	38,498	
Company pension contributions to defined contribution schemes	5,461	840	
	<u>104,430</u>	<u>39,338</u>	
	<u><u>104,430</u></u>	<u><u>39,338</u></u>	
9 Finance costs			
	2023	2022	
	£	£	
Interest on financial liabilities measured at amortised cost:			
Interest on lease liabilities	4,617	3,960	
	<u>4,617</u>	<u>3,960</u>	
	<u><u>4,617</u></u>	<u><u>3,960</u></u>	
10 Taxation			
	2023	2022	
	£	£	
Current tax			
UK corporation tax on profits for the current period	145,560	38,429	
	<u>145,560</u>	<u>38,429</u>	
	<u><u>145,560</u></u>	<u><u>38,429</u></u>	

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Taxation (Continued)

	2023 £	2022 £
Deferred tax		
Origination and reversal of temporary differences	27,673	-
Total tax charge	<u>173,233</u>	<u>38,429</u>

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

	2023 £	2022 £
Profit before taxation	679,248	215,314
Expected tax charge based on a corporation tax rate of 23.50% (2022: 19.00%)	159,623	40,910
Effect of expenses not deductible in determining taxable profit	131	2,128
Depreciation on assets not qualifying for tax allowances	5,233	11,239
Deferred tax adjustments	27,673	(15,848)
Capital allowances	(19,567)	-
Other differences	140	-
Taxation charge for the year	<u>173,233</u>	<u>38,429</u>

11 Dividends

	2023 per share £	2022 per share £	2023 Total £	2022 Total £
Amounts recognised as distributions:				
Ordinary shares				
Final dividend paid	800.00	-	800,000	-

12 Property, plant and equipment

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Demo equipment £	Right of use asset £	Total £
Cost						
At 1 January 2023	342,791	159,678	53,814	-	255,570	811,853
Additions	13,291	17,009	-	46,700	-	77,000
Disposals	-	-	-	-	(2,809)	(2,809)
At 31 December 2023	<u>356,082</u>	<u>176,687</u>	<u>53,814</u>	<u>46,700</u>	<u>252,761</u>	<u>886,044</u>

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment

(Continued)

	Plant and equipment	Fixtures and fittings	Motor vehicles	Demo equipment	Right of use asset	Total
	£	£	£	£	£	£
Accumulated depreciation and impairment						
At 1 January 2023	280,121	146,159	39,282	-	44,363	509,925
Charge for the year	13,846	4,049	3,633	720	65,809	88,057
Eliminated on disposal	-	-	-	-	(2,809)	(2,809)
At 31 December 2023	293,967	150,208	42,915	720	107,363	595,173
Carrying amount analysed between owned assets and right-of-use assets						
At 31 December 2023						
Owned assets	62,115	26,479	10,899	45,980	-	145,473
Right-of-use assets	-	-	-	-	145,398	145,398
	62,115	26,479	10,899	45,980	145,398	290,871
At 31 December 2022						
Owned assets	62,670	13,519	14,532	-	-	90,721
Right-of-use assets	-	-	-	-	211,207	211,207
	62,670	13,519	14,532	-	211,207	301,928

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2023	2022
	£	£
Net values at the year end		
Property	123,927	163,690
Motor vehicles	21,471	47,517
	145,398	211,207
Depreciation charge for the year		
Property	39,764	26,509
Motor vehicles	26,045	17,854
	65,809	44,363

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Inventories

	2023 £	2022 £
Work in progress	10,023	-
Finished goods	38,579	25,346
	<u>48,602</u>	<u>25,346</u>

14 Trade and other receivables

	2023 £	2022 £
Trade receivables	524,453	295,094
Amount owed by parent undertaking	215,702	28,383
Other receivables	242	-
Prepayments and accrued income	54,666	62,273
	<u>795,063</u>	<u>385,750</u>

15 Liabilities

	Notes	Current		Non-current	
		2023 £	2022 £	2023 £	2022 £
Trade and other payables	16	555,785	311,655	-	-
Corporation tax		145,671	166,951	-	-
Other taxation and social security		220,906	123,848	-	-
Lease liabilities	17	59,425	64,317	89,003	148,632
Deferred income	19	157,247	11,500	-	-
		<u>1,139,034</u>	<u>678,271</u>	<u>89,003</u>	<u>148,632</u>

16 Trade and other payables

	2023 £	2022 £
Trade payables	164,578	123,225
Amount owed to parent undertaking	105,000	85,000
Accruals and deferred income	286,207	68,891
Other payables	-	34,539
	<u>555,785</u>	<u>311,655</u>

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Lease liabilities

	2023	2022
	£	£
Maturity analysis		
Within one year	59,425	64,317
In two to five years	89,003	148,632
	<u>148,428</u>	<u>212,949</u>
Total undiscounted liabilities	<u>148,428</u>	<u>212,949</u>

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023	2022
	£	£
Current liabilities	59,425	64,317
Non-current liabilities	89,003	148,632
	<u>148,428</u>	<u>212,949</u>

Amounts recognised in profit or loss include the following:

	2023	2022
	£	£
Interest on lease liabilities	4,617	3,960
	<u>4,617</u>	<u>3,960</u>

Security for the lease liabilities is secured on the assets to which the liabilities relate.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs
	£
Deferred tax movements in current year	
Charge/(credit) to profit or loss	27,673
	<u>27,673</u>
Liability at 31 December 2023	<u>27,673</u>

19 Deferred revenue

	2023	2022
	£	£
Arising from work carried out post year-end but invoiced prior.	157,247	11,500
	<u>157,247</u>	<u>11,500</u>

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	38,625	28,003
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	998	998	998	998
Ordinary A share of £1 each	1	1	1	1
Ordinary B share of £1 each	1	1	1	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,000	1,000	1,000	1,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All shares rank equally for voting and dividend purposes and are not redeemable or liable to be redeemed at the option of the company or the shareholder.

22 Retained earnings

	2023	2022
	£	£
At the beginning of the year	803,715	625,089
Effect of transition	-	-
Prior year adjustment	(1,741)	-
	<u> </u>	<u> </u>
As restated	801,974	625,089
Profit for the year	506,015	176,885
Dividends	(800,000)	-
	<u> </u>	<u> </u>
At the end of the year	507,989	801,974
	<u> </u>	<u> </u>

23 Controlling party

Chamois Holdings Limited is the immediate parent undertaking.

The Ultimate Controlling Party is LLC Europe II SCSp (Fund) (Luxembourg).

NMI UK Holdco Limited is the ultimate parent undertaking and is the smallest and largest group to consolidate the company's financial statements. Copies of NMI UK Holdco Limited financial statements for the year ended 31 December and can be obtained from Suite 1, 7th Floor, 50 Broadway, London, SW1H 0DB.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Transition adjustments

Reconciliation of equity

	1 June 2022 £	31 December 2022 £
Equity as previously reported	625,089	804,715
Adjustments to prior year (note 25)	-	(1,741)
	<hr/>	<hr/>
As restated	625,089	802,974
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of profit for the financial period

	2022 £
Profit as previously reported and after transition	178,626
Adjustments to prior year (note 25)	(1,741)
	<hr/>
As restated	176,885
	<hr/> <hr/>

Notes to reconciliations

The company transitioned from FRS 102 section 1A to FRS 101 from 1 June 2022 due to the entity's parent company preparing consolidated group accounts under IFRS.

IFRS 16 (Leases - lessees) has therefore been adopted with the prior year comparative figures being restated to reflect the change. Please refer to note 25 for details of the prior period adjustment.

CHAMOIS METROLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Prior period adjustment

Reconciliation of changes in equity

	1 June 2022	31 December 2022
Notes	£	£
Equity as previously reported	625,089	804,715
Adjustments to prior year	-	(1,741)
Equity as adjusted before transition adjustments	<u>625,089</u>	<u>802,974</u>
Analysis of the effect upon equity		
Retained earnings	-	(1,741)
	<u> </u>	<u> </u>

Reconciliation of changes in profit for the previous financial period

	2022 £
Notes	
Profit as previously reported	178,626
Adjustments to prior year	(1,741)
Profit as adjusted before transition adjustments	<u>176,885</u>
	<u> </u>