

**Company Registration No. 02719701 (England and Wales)**

**BARTEC AUTO I D LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2021**

# BARTEC AUTO I D LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	C P Webb C D Webb T Hobbs C W Beal P Wilson D Patrickson W J Lee	(Appointed 9 September 2020)
<b>Secretary</b>	C D Webb	
<b>Company number</b>	02719701	
<b>Registered office</b>	Unit 9 Redbrook Business Park Wilthorpe Road Barnsley South Yorkshire England S75 1JN	
<b>Auditor</b>	BHP LLP New Chartford House Centurion Way Cleckheaton Bradford West Yorkshire BD19 3QB	

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# **BARTEC AUTO I D LIMITED**

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# **BARTEC AUTO I D LIMITED**

## **STRATEGIC REPORT**

### ***FOR THE YEAR ENDED 31 MAY 2021***

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

#### **Fair review of the business**

The TPMS Plant Systems division had a difficult year with car plants mothballed due to the pandemic and travel restricted. The business reduced costs early on and managed to support their customers, worldwide, with resourceful communications. In the event trade fell considerably but all customers have been retained. The business has started to recover from a low base since restrictions eased. The pandemic did offer the opportunity to advance some new R&D projects.

The TPMS aftermarket division has benefitted from the launch of three new TPMS tools with increased functionality and improved reliability and performance over previous products. The company has made significant sales in Europe and also the US during the year. In the US sales have been particularly strong as the new tools complemented the new sensor strategy and customers embraced the idea of sourcing the total solution from a single supplier. Our aftermarket businesses continue to find trading conditions challenging with intense competition from Asian manufacturers. Also the US business experienced long shipping delays, component shortages and price increases but given this background still managed to grow their business and put in a strong performance. Also our UK production team managed to work through the pandemic, meeting all delivery times against a background of severe component shortages. They even managed a step change in productivity through increased automation and improvement of processes.

Sales in our European business were also stronger due to the new product range and the evolving relationship with our distribution partners.

The company continues with significant R&D investment. In particular, heavy investment in software development should ensure we continue to make progress as the demands of our industry segment change and new technology requirements emerge, some of it driven by new legislation.

The Waste Management software division was the star performer of the business. Bartec Municipal Technologies ('BMT') performed strongly in the year with a further uptick in profitability and several new Local Authority customers. The market had to adapt its working practices to cope with restrictions brought about by Covid and this required software changes and new software modules which all resulted in additional business.

Marketing events continue to be cancelled due to Covid (only now starting to come back on stream). Also, travel is just starting to open up in 2022 and so the ability to promote our products, make sales in the conventional sense and deliver projects have all struggled. We have maintained our staffing levels during the year and adopted a hybrid approach to home/office working in mutual agreement with the various development teams, who have quickly adapted to working from home.

We are still seeing component delays and parts shortages and these are expected to have a continuing impact on our performance in the coming year which are difficult to quantify due to lack of visibility.

Protea Limited launched their new website and Maritime Emissions monitoring systems to coincide with the new IMO legislation effective from 1 January 2020. The maritime industry has been a huge casualty of the global pandemic and capital expenditure deferred. Given these challenges the performance of the business was again commendable.

Bartec Auto ID Limited and Nyquist Limited have continued to work more closely together and this is a continuing theme in our new product development. Nyquist has improved and extended its own product range and further develop its partnerships. Nyquist was also affected by the pandemic but through cost reductions and furloughing has managed its sales and profitability and emerged with a strengthened product line and maintained customer satisfaction.

# **BARTEC AUTO I D LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 MAY 2021***

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Overheads have been managed across all of our businesses without reducing the high level of service which our customers have grown to enjoy and expect.

For the year ended 31 May 2021 all of the Group companies have moved back into a profit making position and we continue to view the future with confidence.

#### **Key performance indicators**

The group's key financial and other performance indicators during the year were as follows:

	<b>Unit</b>	<b>2021</b>	<b>2020</b>
Turnover	£	13,253,141	10,762,663
Profit/(Loss) before tax	£	1,138,831	(637,926)
Shareholder funds	£	11,099,170	9,779,233

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

The group operates in a very competitive market place where it is important to ensure that product and service levels are consistently offered to customers.

The directors are constantly reviewing market conditions and competitor activity in order to maintain continue trade with existing and new customers.

On behalf of the board

P Wilson  
**Director**  
27 May 2022

# **BARTEC AUTO I D LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 MAY 2021***

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

#### **Principal activities**

The principal activities of the Company have historically been the development and manufacture of Tyre Pressure Monitoring Systems (TPMS) for the automotive industry and aftermarket and the development of waste management systems for domestic and trade waste. Both markets are driven by legislation and the company is market leader in both lines of business. To these lines of business the company has added emissions monitoring analysers and systems and extended its range of aftermarket tools through the acquisition of Protea Limited and Nyquist Solutions Limited respectively.

#### **Results and dividends**

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

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

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

C P Webb

C D Webb

T Hobbs

C W Beal

P Wilson

D Patrickson

W J Lee

(Appointed 9 September 2020)

M Woods

(Resigned 23 December 2020)

#### **Financial instruments**

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

The company utilises appropriate financial instruments in order to carry out its business activities in an effective manner.

The company's principal financial instruments comprise trade debtors, amounts owed from related undertakings and trade creditors. The main purpose of these instruments is to raise funds for the company's operations and to finance them. Owing to the nature of the financial instruments used there is no exposure to price risk.

The company's approach to managing other risks applicable to the financial instruments concerned is set out below.

Trade debtors, credit and cash flow risks are managed by policies concerning the credit offered to customers and the monitoring of amounts outstanding in terms of time and credit limits.

Trade creditors and amounts owed from related undertakings all arise from trading transactions and the liquidity risk is managed from income generation.

#### **Auditor**

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

# **BARTEC AUTO I D LIMITED**

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

***FOR THE YEAR ENDED 31 MAY 2021***

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

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

On behalf of the board

P Wilson

**Director**

27 May 2022

# **BARTEC AUTO I D LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT** ***FOR THE YEAR ENDED 31 MAY 2021***

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

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

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

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

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **BARTEC AUTO I D LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BARTEC AUTO I D LIMITED**

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#### **Opinion**

We have audited the financial statements of Bartec Auto I D Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

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

We have nothing to report in this regard.

# **BARTEC AUTO I D LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BARTEC AUTO I D LIMITED**

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

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

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

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

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

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

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# **BARTEC AUTO I D LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BARTEC AUTO I D LIMITED**

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### **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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and review of legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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.

### **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.

**Jamie Williams (Senior Statutory Auditor)**  
**For and on behalf of BHP LLP**

27 May 2022

**Chartered Accountants**  
**Statutory Auditor**

New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

# BARTEC AUTO I D LIMITED

## GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2021

		2021 £	2020 £
	Notes		
Turnover	3	13,253,141	10,762,663
Cost of sales		(6,251,127)	(4,594,453)
<b>Gross profit</b>		<b>7,002,014</b>	<b>6,168,210</b>
Administrative expenses		(5,344,777)	(5,724,008)
Research and development expenditure		(1,102,285)	(1,300,266)
Other operating income		202,744	211,658
<b>Operating profit/(loss)</b>	<b>4</b>	<b>757,696</b>	<b>(644,406)</b>
Interest receivable and similar income	8	11,986	17,773
Interest payable and similar expenses	9	(6,892)	(5,544)
Profit/(loss) from current asset investments	10	376,041	(5,749)
<b>Profit/(loss) before taxation</b>		<b>1,138,831</b>	<b>(637,926)</b>
Taxation	11	177,215	665,010
<b>Profit for the financial year</b>		<b>1,316,046</b>	<b>27,084</b>
Profit for the financial year is attributable to:			
- Owners of the parent company		1,326,015	42,564
- Non-controlling interests		(9,969)	(15,480)
		<b>1,316,046</b>	<b>27,084</b>

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

# BARTEC AUTO I D LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2021

	2021 £	2020 £
<b>Profit for the year</b>	1,316,046	27,084
Currency translation differences	3,891	(11,170)
<b>Total comprehensive income for the year</b>	<u>1,319,937</u>	<u>15,914</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,329,906	31,394
- Non-controlling interests	(9,969)	(15,480)
	<u>1,319,937</u>	<u>15,914</u>

# BARTEC AUTO I D LIMITED

## GROUP BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Goodwill	12	472,152	508,276
Other intangible assets	12	26,122	22,201
Total intangible assets		498,274	530,477
Tangible assets	13	1,491,533	2,179,926
Investments	14	155,650	155,650
		2,145,457	2,866,053
<b>Current assets</b>			
Stocks	18	3,093,669	3,133,648
Debtors	19	6,442,972	4,682,567
Investments	20	1,184,879	695,351
Cash at bank and in hand		1,882,088	1,812,038
		12,603,608	10,323,604
<b>Creditors: amounts falling due within one year</b>	21	(3,536,549)	(3,275,477)
<b>Net current assets</b>		9,067,059	7,048,127
<b>Total assets less current liabilities</b>		11,212,516	9,914,180
<b>Creditors: amounts falling due after more than one year</b>	22	(96,281)	(123,097)
<b>Provisions for liabilities</b>	24	(17,065)	(11,850)
<b>Net assets</b>		11,099,170	9,779,233
<b>Capital and reserves</b>			
Called up share capital	26	35,972	35,972
Share premium account		89,370	89,370
Capital redemption reserve		1,782	1,782
Profit and loss reserves		10,949,931	9,620,025
<b>Equity attributable to owners of the parent company</b>		11,077,055	9,747,149
<b>Non-controlling interests</b>		22,115	32,084
		11,099,170	9,779,233

The financial statements were approved by the board of directors and authorised for issue on 27 May 2022 and are signed on its behalf by:

P Wilson  
Director

# BARTEC AUTO I D LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13	779,692		1,407,641	
Investments	14	1,197,667		1,197,667	
		<u>1,977,359</u>		<u>2,605,308</u>	
<b>Current assets</b>					
Stocks	18	1,597,626	1,872,491		
Debtors falling due within and after more than one year	19	7,641,532	6,319,420		
Investments	20	1,184,879	695,351		
Cash at bank and in hand		1,104,848	1,184,456		
		<u>11,528,885</u>	<u>10,071,718</u>		
<b>Creditors: amounts falling due within one year</b>	21	<u>(2,656,676)</u>	<u>(2,476,479)</u>		
<b>Net current assets</b>		8,872,209		7,595,239	
<b>Total assets less current liabilities</b>		<u>10,849,568</u>		<u>10,200,547</u>	
<b>Provisions for liabilities</b>	24	(41,005)		(41,005)	
<b>Net assets</b>		<u>10,808,563</u>		<u>10,159,542</u>	
<b>Capital and reserves</b>					
Called up share capital	26	35,972	35,972		
Share premium account		89,370	89,370		
Capital redemption reserve		1,782	1,782		
Profit and loss reserves		10,681,439	10,032,418		
<b>Total equity</b>		<u>10,808,563</u>	<u>10,159,542</u>		

The financial statements were approved by the board of directors and authorised for issue on 27 May 2022 and are signed on its behalf by:

P Wilson  
Director

Company Registration No. 02719701

# BARTEC AUTO I D LIMITED

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

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
<b>Balance at 1 June 2019</b>	35,972	89,370	1,782	9,588,631	9,715,755	-	9,715,755
<b>Year ended 31 May 2020:</b>							
Profit for the year	-	-	-	42,564	42,564	(15,480)	27,084
Other comprehensive income:							
Currency translation differences	-	-	-	(11,170)	(11,170)	-	(11,170)
Total comprehensive income for the year	-	-	-	31,394	31,394	(15,480)	15,914
Acquisition of subsidiary	-	-	-	-	-	47,564	47,564
<b>Balance at 31 May 2020</b>	35,972	89,370	1,782	9,620,025	9,747,149	32,084	9,779,233
<b>Year ended 31 May 2021:</b>							
Profit for the year	-	-	-	1,326,015	1,326,015	(9,969)	1,316,046
Other comprehensive income:							
Currency translation differences	-	-	-	3,891	3,891	-	3,891
Total comprehensive income for the year	-	-	-	1,329,906	1,329,906	(9,969)	1,319,937
<b>Balance at 31 May 2021</b>	35,972	89,370	1,782	10,949,931	11,077,055	22,115	11,099,170

## **BARTEC AUTO I D LIMITED**

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

	<b>Share capital</b>	<b>Share premium</b>	<b>Capital redemption reserve</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 June 2019</b>	35,972	89,370	1,782	10,033,658	10,160,782
<b>Year ended 31 May 2020:</b>					
Loss and total comprehensive income for the year	-	-	-	(1,240)	(1,240)
<b>Balance at 31 May 2020</b>	35,972	89,370	1,782	10,032,418	10,159,542
<b>Year ended 31 May 2021:</b>					
Profit and total comprehensive income for the year	-	-	-	649,021	649,021
<b>Balance at 31 May 2021</b>	35,972	89,370	1,782	10,681,439	10,808,563

# BARTEC AUTO I D LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	29	(516,989)		(288,357)	
Interest paid		(6,892)		(5,544)	
Income taxes refunded		247,847		411,864	
<b>Net cash (outflow)/inflow from operating activities</b>		(276,034)		117,963	
<b>Investing activities</b>					
Purchase of intangible assets		(3,921)		(9,947)	
Purchase of tangible fixed assets		(150,596)		(243,672)	
Proceeds on disposal of tangible fixed assets		618,270		21,898	
Capital of joint venture		-		47,564	
Proceeds on disposal of subsidiaries		-		76,916	
Other investments and loans made		-		(883,788)	
Proceeds from other investments and loans		(113,487)		1,516,732	
Interest received		2,557		6,436	
Other investment income received		9,429		11,337	
<b>Net cash generated from investing activities</b>		362,252		543,476	
<b>Financing activities</b>					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(16,168)		(18,267)	
<b>Net cash (used in)/generated from financing activities</b>		(16,168)		31,733	
<b>Net increase in cash and cash equivalents</b>		70,050		693,172	
Cash and cash equivalents at beginning of year		1,812,038		1,118,866	
<b>Cash and cash equivalents at end of year</b>		1,882,088		1,812,038	

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

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### **1 Accounting policies**

#### **Company information**

Bartec Auto I D Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is:

Unit 9 Redbrook Business Park  
Wilthorpe Road  
Barnsley  
South Yorkshire  
England  
S75 1JN

The group consists of Bartec Auto I D Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £649,021 (2020 - £1,240 loss).

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

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Bartec Auto I D Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 May 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

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### **1 Accounting policies**

**(Continued)**

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### **1.3 Going concern**

The Directors have considered the impact of COVID-19 and supply chain challenges on the Group's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have in place plans to deal with any financial losses that may arise. Such plans include, but are not limited to fully utilising the support that has been made available by the government in relation to staff costs and payment deferral of taxation.

The Directors therefore continue to adopt the going concern basis of preparation for these financial statements.

#### **1.4 Turnover**

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

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

# BARTEC AUTO I D LIMITED

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

---

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life of 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 Intangible fixed assets other than goodwill

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

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

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life.

#### 1.7 Tangible fixed assets

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

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

Freehold land and buildings	2% on cost
Leasehold land and buildings	straight line over the lease term
Leasehold improvements	20% on cost
Plant and equipment	15%/25% reducing balance basis or 25% on cost
Fixtures and fittings	15%/20% reducing balance basis or 20%/25%/50% on cost
Computers	25% or 33% on cost
Motor vehicles	25% reducing balance basis or 20%/25% on cost
Other tangibles	33% on cost

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

#### 1.8 Fixed asset investments

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

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

---

### **1 Accounting policies**

**(Continued)**

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

#### **1.9 Impairment of fixed assets**

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

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

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

#### **1.10 Stocks**

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

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

#### **1.11 Cash and cash equivalents**

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

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### **1 Accounting policies**

**(Continued)**

#### **1.12 Financial instruments**

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

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

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

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

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

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

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

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

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

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

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

---

### **1 Accounting policies**

**(Continued)**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

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

Derivatives, including interest rate swaps and 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. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

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

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

### **1.13 Equity instruments**

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

### **1.14 Taxation**

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

#### ***Current tax***

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

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### **1 Accounting policies**

**(Continued)**

#### ***Deferred tax***

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

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

#### **1.15 Employee benefits**

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

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

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

#### **1.16 Retirement benefits**

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

#### **1.17 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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

# **BARTEC AUTO I D LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2021**

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### **1 Accounting policies**

**(Continued)**

#### **1.18 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

Support received in relation to the interest paid by the UK government under the Bounce Back loan scheme is recognised within other operating income on the accruals basis to match the corresponding expense.

#### **1.19 Foreign exchange**

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

#### **1.20 Research and development**

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

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

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

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

# BARTEC AUTO I D LIMITED

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

### 3 Turnover and other revenue

#### Turnover analysed by geographical market

	2021 £	2020 £
Sales - UK	6,128,132	6,491,365
Sales - Rest of World	7,125,009	4,271,298
	<u>13,253,141</u>	<u>10,762,663</u>

#### Other significant revenue

Interest and similar income	2,557	6,436
Grants received	169,838	165,887
	<u>172,395</u>	<u>172,323</u>

### 4 Operating profit/(loss)

	2021 £	2020 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange losses/(gains)	384,535	(61,919)
Research and development costs	1,102,285	1,300,266
Government grants	(169,838)	(165,887)
Depreciation of owned tangible fixed assets	259,485	340,373
Profit on disposal of tangible fixed assets	(39,352)	(2,009)
Amortisation of intangible assets	36,124	36,124
Operating lease charges	160,739	155,646
	<u>1,733,908</u>	<u>1,709,912</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £384,535 (2020 - £61,919).

### 5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	15,600	14,500
Audit of the financial statements of the company's subsidiaries	17,370	16,500
	<u>32,970</u>	<u>31,000</u>
<b>For other services</b>		
Taxation compliance services	3,690	3,625
Other taxation services	-	2,250
	<u>3,690</u>	<u>5,875</u>

# BARTEC AUTO I D LIMITED

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

### 6 Employees

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

	<b>Group 2021 Number</b>	<b>2020 Number</b>	<b>Company 2021 Number</b>	<b>2020 Number</b>
Administration and support	24	24	15	15
Production	79	95	58	73
	<u>103</u>	<u>119</u>	<u>73</u>	<u>88</u>

Their aggregate remuneration comprised:

	<b>Group 2021 £</b>	<b>2020 £</b>	<b>Company 2021 £</b>	<b>2020 £</b>
Wages and salaries	3,296,212	3,367,776	2,038,693	2,098,237
Social security costs	310,160	331,312	191,731	212,907
Pension costs	183,508	211,301	56,527	65,404
	<u>3,789,880</u>	<u>3,910,389</u>	<u>2,286,951</u>	<u>2,376,548</u>

### 7 Directors' remuneration

	<b>2021 £</b>	<b>2020 £</b>
Remuneration for qualifying services	549,760	506,641
Company pension contributions to defined contribution schemes	7,047	7,271
	<u>556,807</u>	<u>513,912</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 6 (2020 - 6).

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

	<b>2021 £</b>	<b>2020 £</b>
Remuneration for qualifying services	110,234	102,681
Company pension contributions to defined contribution schemes	1,316	1,316
	<u>111,550</u>	<u>103,997</u>

# BARTEC AUTO I D LIMITED

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

### 8 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Interest on bank deposits	2,557	6,303
Other interest income	-	133
	<u>2,557</u>	<u>6,436</u>
Total interest revenue	2,557	6,436
<b>Income from current asset investments</b>		
Income from other current asset investments	9,429	11,337
	<u>11,986</u>	<u>17,773</u>
Total income	<u><u>11,986</u></u>	<u><u>17,773</u></u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>2,557</u>	<u>6,303</u>

### 9 Interest payable and similar expenses

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	1,424	2,761
<b>Other finance costs:</b>		
Other interest	5,468	2,783
	<u>6,892</u>	<u>5,544</u>
Total finance costs	<u><u>6,892</u></u>	<u><u>5,544</u></u>

### 10 Profit/(loss) from current asset investments

	2021 £	2020 £
<b>Fair value gains/(losses) on financial instruments</b>		
Change in value of financial assets held at fair value through profit or loss	441,637	155,421
<b>Other gains/(losses)</b>		
Loss on disposal of current asset investments	(65,596)	(161,170)
	<u>376,041</u>	<u>(5,749)</u>

# BARTEC AUTO I D LIMITED

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

### 11 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(181,743)	(360,762)
Adjustments in respect of prior periods	-	(308,196)
UK income tax	(687)	478
	<u>(182,430)</u>	<u>(668,480)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	5,215	3,470
	<u>(177,215)</u>	<u>(665,010)</u>
Total tax charge	(177,215)	(665,010)

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

	2021 £	2020 £
Profit/(loss) before taxation	1,138,831	(637,926)
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	216,378	(121,206)
Tax effect of expenses that are not deductible in determining taxable profit	15,622	33,394
Tax effect of income not taxable in determining taxable profit	(85,703)	-
Change in unrecognised deferred tax assets	2,271	395
Adjustments in respect of prior years	-	(308,196)
Research and development tax credit	(340,501)	(265,686)
Other permanent differences	(648)	(11,672)
Effect of overseas tax rates	(31,645)	4,224
Effect of change in local deferred tax rates	3,491	3,737
Fixed asset differences	(13,206)	-
Utilisation of tax losses	56,726	-
Tax expense for the year	<u>(177,215)</u>	<u>(665,010)</u>

# BARTEC AUTO I D LIMITED

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

### 12 Intangible fixed assets

Group	Goodwill	Patents & licences	Total
	£	£	£
<b>Cost</b>			
At 1 June 2020	722,592	22,201	744,793
Additions	-	3,921	3,921
At 31 May 2021	722,592	26,122	748,714
<b>Amortisation and impairment</b>			
At 1 June 2020	214,316	-	214,316
Amortisation charged for the year	36,124	-	36,124
At 31 May 2021	250,440	-	250,440
<b>Carrying amount</b>			
At 31 May 2021	472,152	26,122	498,274
At 31 May 2020	508,276	22,201	530,477

The company had no intangible fixed assets at 31 May 2021 or 31 May 2020.

### 13 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Other tangibles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 June 2020	603,458	1,282,671	372,832	206,195	2,284,609	4,749,765
Additions	-	6,050	8,397	29,500	106,446	150,393
Disposals	(603,458)	-	-	(64,200)	(6,603)	(674,261)
Exchange adjustments	-	-	-	-	(383)	(383)
At 31 May 2021	-	1,288,721	381,229	171,495	2,384,069	4,225,514
<b>Depreciation and impairment</b>						
At 1 June 2020	63,366	207,526	284,329	133,473	1,881,145	2,569,839
Depreciation charged in the year	875	50,833	22,076	10,759	174,942	259,485
Eliminated in respect of disposals	(64,241)	-	-	(24,499)	(6,603)	(95,343)
At 31 May 2021	-	258,359	306,405	119,733	2,049,484	2,733,981
<b>Carrying amount</b>						
At 31 May 2021	-	1,030,362	74,824	51,762	334,585	1,491,533
At 31 May 2020	540,092	1,075,145	88,503	72,722	403,464	2,179,926

# BARTEC AUTO I D LIMITED

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

### 13 Tangible fixed assets

(Continued)

Company	Freehold land and buildings £	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Other tangibles £	Total £
<b>Cost</b>						
At 1 June 2020	562,274	697,486	290,007	194,415	1,408,549	3,152,731
Additions	-	-	787	-	41,990	42,777
Disposals	(562,274)	-	-	(64,200)	-	(626,474)
At 31 May 2021	-	697,486	290,794	130,215	1,450,539	2,569,034
<b>Depreciation and impairment</b>						
At 1 June 2020	26,417	38,338	224,530	121,977	1,333,828	1,745,090
Depreciation charged in the year	-	5,580	13,253	8,188	68,147	95,168
Eliminated in respect of disposals	(26,417)	-	-	(24,499)	-	(50,916)
At 31 May 2021	-	43,918	237,783	105,666	1,401,975	1,789,342
<b>Carrying amount</b>						
At 31 May 2021	-	653,568	53,011	24,549	48,564	779,692
At 31 May 2020	535,857	659,148	65,477	72,438	74,721	1,407,641

### 14 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	15	-	-	1,042,017	1,042,017
Investments in associates	16	155,650	155,650	155,650	155,650
		155,650	155,650	1,197,667	1,197,667

#### Movements in fixed asset investments

Group	Shares in associates £
<b>Cost or valuation</b>	
At 1 June 2020 and 31 May 2021	155,650
<b>Carrying amount</b>	
At 31 May 2021	155,650
At 31 May 2020	155,650

# BARTEC AUTO I D LIMITED

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

### 14 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in subsidiaries and associates £
<b>Cost or valuation</b>	
At 1 June 2020 and 31 May 2021	1,197,667
<b>Carrying amount</b>	
At 31 May 2021	1,197,667
At 31 May 2020	1,197,667

### 15 Subsidiaries

Details of the company's subsidiaries at 31 May 2021 are as follows:

Name of undertaking and country of incorporation or residency	Class of shareholding	% Held Direct
Bartec Auto I D GmbH Germany	Ordinary	100.00
Bartec Emissions Limited	Ordinary	100.00
Nyquist Solutions Limited	Ordinary	100.00
Protea Limited	Ordinary	100.00
Revive Automotive Solutions Limited	Ordinary	100.00
Bartec Auto ID (China) Limited China	Ordinary	60.00

### 16 Associates

Details of associates at 31 May 2021 are as follows:

Name of undertaking and country of incorporation or residency	Class of shareholding	% Held Direct Indirect
Bartec USA LLC USA	Ordinary	49.00

### 17 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Carrying amount of financial assets</b>				
Instruments measured at fair value through profit or loss	1,184,879	695,351	1,184,879	695,351

# BARTEC AUTO I D LIMITED

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

### 18 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Stocks	2,663,615	2,756,887	1,457,582	1,689,641
Work in progress	430,054	376,761	140,044	182,850
	<u>3,093,669</u>	<u>3,133,648</u>	<u>1,597,626</u>	<u>1,872,491</u>

### 19 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	2,749,263	1,880,438	1,796,859	1,297,367
Corporation tax recoverable	544,898	610,315	422,071	501,534
Amounts owed by group undertakings	-	-	2,438,436	2,432,110
Amounts owed by undertakings in which the company has a participating interest	2,562,780	1,939,741	2,562,780	1,939,741
Other debtors	100,915	68,338	6,089	7,354
Prepayments and accrued income	485,116	183,735	415,297	141,314
	<u>6,442,972</u>	<u>4,682,567</u>	<u>7,641,532</u>	<u>6,319,420</u>

Amounts due from group undertakings within the company debtors includes £1,000,000, which is due after one year.

### 20 Current asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Listed investments	<u>1,184,879</u>	<u>695,351</u>	<u>1,184,879</u>	<u>695,351</u>

# BARTEC AUTO I D LIMITED

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

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

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	23	26,375	15,727	-	-
Other borrowings	23	6,669	6,669	6,669	6,669
Trade creditors		1,160,867	686,063	587,944	189,013
Other taxation and social security		311,101	562,275	259,880	460,723
Other creditors		75,468	128,459	1,783	108,925
Accruals and deferred income		1,956,069	1,876,284	1,800,400	1,711,149
		<u>3,536,549</u>	<u>3,275,477</u>	<u>2,656,676</u>	<u>2,476,479</u>

Bank loans and overdrafts totalling £26,375 (2020 - £15,727) are secured against assets of the group.

### 22 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	23	<u>96,281</u>	<u>123,097</u>	<u>-</u>	<u>-</u>

Bank loans and overdrafts totalling £96,281 (2020- £123,097) are secured against assets of the group.

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	10,190	-	-
	<u>-</u>	<u>10,190</u>	<u>-</u>	<u>-</u>

### 23 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	122,656	138,824	-	-
Other loans	6,669	6,669	6,669	6,669
	<u>129,325</u>	<u>145,493</u>	<u>6,669</u>	<u>6,669</u>
Payable within one year	33,044	22,396	6,669	6,669
Payable after one year	<u>96,281</u>	<u>123,097</u>	<u>-</u>	<u>-</u>

# BARTEC AUTO I D LIMITED

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

### 24 Deferred taxation

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

	Liabilities 2021 £	Liabilities 2020 £
<b>Group</b>		
Accelerated capital allowances	58,564	64,042
Tax losses	(39,945)	(50,200)
Short term timing differences	(1,554)	(1,992)
	<u>17,065</u>	<u>11,850</u>
	<u><u>17,065</u></u>	<u><u>11,850</u></u>
	Liabilities 2021 £	Liabilities 2020 £
<b>Company</b>		
Accelerated capital allowances	42,911	42,911
Tax losses	(1,064)	(1,064)
Short term timing differences	(842)	(842)
	<u>41,005</u>	<u>41,005</u>
	<u><u>41,005</u></u>	<u><u>41,005</u></u>
	Group 2021 £	Company 2021 £
<b>Movements in the year:</b>		
Liability at 1 June 2020	11,850	41,005
Charge to profit or loss	5,215	-
	<u>17,065</u>	<u>41,005</u>
Liability at 31 May 2021	<u><u>17,065</u></u>	<u><u>41,005</u></u>

The deferred tax asset above constitutes tax losses and short term timing differences, net of accelerated capital allowances. The reversal of this asset is dependent on both future trading results and the movement in the short term timing differences. Therefore, no accurate estimate can be given on when the asset is expected to reverse.

### 25 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>183,508</u>	<u>211,301</u>

# BARTEC AUTO I D LIMITED

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

### 25 Retirement benefit schemes

(Continued)

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

### 26 Share capital

	Group and company	
	2021	2020
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
33,848 Ordinary 'A' shares of £1 each	33,848	33,848
1,416 Ordinary 'B' shares of £1 each	1,416	1,416
708 Ordinary 'C' shares of £1 each	708	708
	<hr/>	<hr/>
	35,972	35,972
	<hr/>	<hr/>

#### **A Ordinary Shares**

- a. Each A Ordinary Shares is entitled to one vote in Any circumstances.
- b. Each A Ordinary share is entitled pari passu to dividend payments or any other distribution.
- c. Each A ordinary share is entitled pari passu to participate in a distribution arising from a winding up of the company.

#### **B Ordinary Shares**

- a. Each B ordinary shares shall not be entitled to vote in any circumstances
- b. Each B Ordinary share is entitled to participate in any dividends which the directors may declare in respect of the B ordinary shares with the consent of the holders of the A ordinary shares.
- c. Each B ordinary share may be entitled to participate in a Distribution arising from a winding up of the company in certain circumstances.

#### **C Ordinary Shares**

- a. Each C ordinary share shall not be entitled to vote in any circumstances
- b. Each C ordinary share is entitled to participate in any dividend which the directors may declare in respect of the C ordinary shares with the consent of the holders of the A ordinary shares
- c. Each C ordinary share may be entitled to Participate in a distribution arising from a winding up of the company in certain circumstances.

# BARTEC AUTO I D LIMITED

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

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### 27 Operating lease commitments

#### Lessee

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

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	98,647	66,765	-	-
Between two and five years	290,062	189,308	-	-
In over five years	520,800	564,200	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	909,509	820,273	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

# BARTEC AUTO I D LIMITED

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

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### 28 Related party transactions

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sales		Purchases	
	2021	2020	2021	2020
	£	£	£	£
<b>Group</b>				
Other related parties	963,303	952,741	373,219	401,831
	=====	=====	=====	=====
<b>Company</b>				
Other related parties	963,303	952,741	373,219	401,831
	=====	=====	=====	=====

The following amounts were outstanding at the reporting end date:

Amounts due from related parties		2021	2020
		Balance	Balance
		£	£
<b>Group</b>			
Other related parties		2,562,780	1,933,073
		=====	=====
<b>Company</b>			
Other related parties		2,562,780	1,933,073
		=====	=====

# BARTEC AUTO I D LIMITED

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

### 29 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	1,316,046	27,084
Adjustments for:		
Taxation credited	(177,215)	(665,010)
Finance costs	6,892	5,544
Investment income	(11,986)	(17,773)
Gain on disposal of tangible fixed assets	(39,352)	(2,009)
Amortisation and impairment of intangible assets	36,124	36,124
Depreciation and impairment of tangible fixed assets	259,485	340,373
Foreign currency translation	3,891	(11,170)
Loss on sale of investments	65,596	161,170
Change in fair value of financial assets measured at FVTPL	(441,637)	(155,421)
Movements in working capital:		
Decrease/(increase) in stocks	39,979	(605,465)
(Increase)/decrease in debtors	(1,825,822)	133,207
Increase in creditors	251,010	464,989
<b>Cash absorbed by operations</b>	<b>(516,989)</b>	<b>(288,357)</b>

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

	1 June 2020 £	Cash flows 31 May 2021 £	£
Cash at bank and in hand	1,812,038	70,050	1,882,088
Borrowings excluding overdrafts	(145,493)	16,168	(129,325)
	<u>1,666,545</u>	<u>86,218</u>	<u>1,752,763</u>

