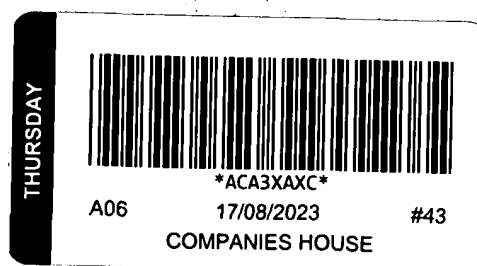


**ETAS Limited**

**Annual report and financial statements for the year ended  
31 December 2022**

Company Number: 3383737

Incorporated: 9 June 1997



## **Company information for the year ended 31 December 2022**

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<b>Directors</b>	N. Keeling G. Nigge A. Srinivasan
<b>Company secretary</b>	J. Burton
<b>Company number</b>	3383737
<b>Registered office</b>	c/o Robert Bosch Ltd Broadwater Park North Orbital Road Denham Uxbridge UB9 5HJ
<b>Independent auditors</b>	Ernst & Young LLP 400 Capability Green Luton LU1 3LU

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## **Strategic report for the year ended 31 December 2022**

*(All amounts in £ unless otherwise stated)*

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The directors present their strategic report for the year ended 31 December 2022.

### **Principal activities**

The company's revenue arises solely from its principal activity being the provision of engineering and sales support services to ETAS GmbH (fellow subsidiary company of Robert Bosch GmbH).

### **Results and dividends**

The profit for the year, after taxation, amounted to £1,321,511 (2021: £849,138).

The directors have recommended a final dividend of £nil to be paid in relation to the year ended 31 December 2022, equivalent to £nil per share (2021: £nil).

### **Review of the business**

Over the course of 2022, ETAS Ltd has been able to return to the office at Hospital Fields Road. ETAS Ltd has maintained a flexible approach for employees to determine how they would like to work that started as a result of the Covid-19 pandemic. This has meant that recruitment has been successful from a broader spread of geographical locations helping support the growth in average headcount to 162 (2021: 111).

The main business of ETAS Ltd is the provision of engineering services to ETAS GmbH and ETAS Ltd has secured additional projects (in particular increased development effort for the AOS project). During 2022 ETAS GmbH consolidated their daughter company ESCRIPT GmbH, so while we continue to do work for ESCRIPT (or, the SEC solution field of ETAS GmbH as they are now) we no longer have them as a separate customer. As a result of additional work completed, revenue has grown from £11,680,448 in 2021 to £16,439,063 in 2022.

Provision of sales support for ETAS GmbH products in the UK market also continued through the year. Unfortunately, sales volumes continued to be negatively affected due to slow business at many of ETAS GmbH's UK customers. This was caused by both the pandemic, and by issues caused by the component shortages in the automotive industry. Sales through the UK office grew modestly from 2020 levels (€4,091,000 to €4,558,000 which just exceeded plan of €4,555,000).

The lease to Alstom of the ground floor office space of the York Development Centre at Hospital Fields Road continued providing an additional revenue to the business alongside engineering/sales service provision.

Strategically and commercially the risk faced by ETAS Limited is relatively small if ETAS GmbH continue to be active in the Embedded Software Component market. Recent announcements from both ETAS GmbH (and from ultimate parent company Robert Bosch GmbH) have indicated an increasing commitment to the Embedded Software Component markets, and so the future seems as assured as it could be.

Operationally ETAS Limited faces no risks greater than any other company dependent upon IT/Computing resources – loss of power etc., would negatively impact operation. However, a comprehensive disaster recovery plan is in place for such eventualities. Financially ETAS Limited has the benefit of being a subsidiary of the Robert Bosch GmbH organisation – this means it has the backing of a large parent organisation capable of absorbing major shocks.

The total shareholder funds at the end of the year increased to £4,366,974 (2021: £3,045,463). The company's cash balance together with the bill-back model of cost plus 5% means that ETAS Limited does not rely on third party finance providers to fund the business.

## Strategic report for the year ended 31 December 2022 (continued)

(All amounts in £ unless otherwise stated)

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### Key performance indicators

The company considers the most significant KPI to be profit before income tax. The profit before income tax for the company in 2022 is £1,635,877 (2021: £1,063,420) based on revenue of £16,439,063 (2021: £11,680,448).

### Principal risks and uncertainties

The principal risks and uncertainties to the company are wholly borne by a fellow group company, ETAS GmbH, and therefore these are disclosed within that company's financial statements, which are publicly available.

### Reporting on compliance with section 172 requirements

In performance of their statutory duties and in accordance with s172 (1) Companies Act 2006, the board of directors of ETAS Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172 (1) (a-f) of the act) in the decisions taken during the year ended 31 December 2022.

#### Business

Each year, the Board undertakes an in-depth review of the Company's strategy, including a business plan for subsequent years. Once approved by the Board, the plan and strategy form the basis for financial budgets, resource plans and investment decisions and also the future strategic direction of the Company. In making decisions concerning the business plan and future strategy, the Board has regard to a variety of matters including the interests of various stakeholders, the consequences of its decisions in the long term and its long-term reputation.

#### Stakeholder engagement

##### *With employees*

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the in-house newspaper and newsletters, briefing groups and the distribution of the annual report.

The company is an equal opportunities employer. Applications for employment are always fully considered irrespective of gender, ethnic origin, race, religion, sexual orientation or disability.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective attitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

##### *With suppliers, customers, and others*

As part of the global Bosch group, the company operates a "Code of Business Conduct" to which all associates are expected to adhere and receive regular training. It sets out how the company's associates are expected to act in their day to day business activities. In conjunction with the Bosch values, it provides a rock-solid foundation on which trust can grow – trust that is essential if the company is to grow and be successful for the benefit of all its stakeholders.

## Strategic report for the year ended 31 December 2022 (continued)

(All amounts in £ unless otherwise stated)

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### Reporting on compliance with section 172 requirements (continued)

This includes, but is not limited to:

- Lawful, regulation-compliant, responsible, and fair conduct;
- Avoiding conflicts of interest;
- Keeping confidential information secret and handling sensitive data responsibly;
- Observing rules of fair competition, create unambiguous and documented agreements with suppliers and customers, and have a zero-tolerance to corruption in any form;
- Producing quality, safe products and services to the highest quality and reliability;
- Respect for the intellectual property of third parties.

### Governance

The company's executive management is responsible for compliance to the Code of Business Conduct. The corporate internal auditing department (C/AU), including its local units, has an unlimited right to request information and conduct audits, provided these do not run contrary to statutory or company regulations.

By order of the board

pki, BOSCH, UK, J, O, Jonathan.Burton  
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Date: 2023.06.29 10:18:39  
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J. Burton  
Company Secretary

29 June

..... 2023

## **Directors' report for the year ended 31 December 2022**

*(All amounts in £ unless otherwise stated)*

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2022.

### **Future developments**

The company's overriding objective is to achieve attractive and sustainable rates of growth and returns through organic growth. This will be achieved by developing new products and improving the current extensive range of products.

### **Political donations and political expenditure**

There were no political donations during the year (2021: £Nil).

### **Directors**

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

N. Keeling

G. Nigge

A. Srinivasan

### **Qualifying third-party and pension scheme indemnity provisions**

The Robert Bosch group maintains liability insurance for its directors and officers. The group has also provided an indemnity for its directors and secretary, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. This indemnity was in place during the financial year and continues to be in place at the date of the approval of these financial statements.

### **Research and development**

ETAS Limited is a part of the worldwide Bosch group, a leading supplier of technology and services with operations in the Automotive Technology, Industrial Technology, Consumer Goods, and Energy and Building Technology sectors.

ETAS Limited designs and develops software solutions and tools for the automotive industry from their sites in York and Derby. Meeting the needs of clients in the fast-changing and technologically sophisticated automotive industry means that the ETAS group are constantly faced with new demands for robust software for ECUs, whilst the systems they control increase in complexity. This requires investment in a strong Research and Development (R&D) capacity with enough flexibility to outperform rival offerings. In addition to their internal culture of innovation, the ETAS group is an active participant in various industry networks and conferences on the latest in automotive technology. These summits have focussed on automotive system development, further demonstrating that Bosch companies are actively committed to supporting and promoting innovation in the UK automotive industry.

The tax credit for research and development to the Income Statement for 2022 was £551,171 which includes the 2021 true-up adjustment of £101,171 and 2022 estimate of £450,000 (2021: £424,039) (see note 5 to the financial statements).

## **Directors' report for the year ended 31 December 2022 (continued)**

*(All amounts in £ unless otherwise stated)*

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### **Going concern**

The company's business activities, together with the factors likely to affect its future development, its financial position and its exposure to risks are described in the strategic report.

The company has an excess of current assets over current liabilities of £4,282,487 at 31 December 2022 (2021: excess of current assets over current liabilities of £2,917,529). The company meets its day to day working capital requirements through its cash reserves and borrowings.

The current economic conditions continue to create uncertainty, particularly over the level of demand for the company's products.

The proven flexibility of the company's support systems and the implementation of home-working have allowed a hybrid-working solution to be developed with staff splitting their time between working from home and important interaction in the offices.

The conflict in Ukraine has had limited direct impact on the business as the company's primary target market is in Germany. Indirect effects are primarily cost increases from both energy costs and underlying inflationary pressures. To mitigate this price increase, Bosch in the UK has entered into fixed price, minimum supply energy contracts with its supplier.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to continue to operate within the level of its current cash reserves and borrowings.

The company is dependent on the continued support of the ultimate parent company, Robert Bosch GmbH. The Company has received a letter of support from the ultimate parent company, capped at a maximum of £5.5m. The ultimate parent company has confirmed that it will continue to support the Company in order to meet its liabilities as they fall due up to the maximum of the capped amount. This support is valid for a period of 12 months and one day from the date of approval of the financial statements.

The Directors have assessed the ability of Robert Bosch GmbH to support the company and are satisfied with the level of support provided and that they are in a position to provide such support as and when required

After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

### **Streamlined Energy and Carbon Reporting framework**

In accordance with the Bosch core values, the company continues to understand and improve its impact on the environment. This includes, but is not limited to, regular reviews of energy and packaging usage, developing products that are power efficient, and capital expenditure on its assets to improve overall efficiency.

The company falls below the threshold for additional SECR reporting.



## **Directors' report for the year ended 31 December 2022 (continued)**

*(All amounts in £ unless otherwise stated)*

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### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that:

- As far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Disclosure requirements**

In accordance with the Companies Act 2006 s414C(ii), the company's Strategic Report contains certain disclosures required in the Directors' Report.

### **Reappointment of auditor**

In accordance with s485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

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Jonathan.Burton  
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J. Burton  
**Company Secretary**

29 June  
.....2023

## Statement of directors' responsibilities for the year ended 31 December 2022

*(All amounts in £ unless otherwise stated)*

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The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable United Kingdom 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 company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the company financial statements, state whether applicable UK Accounting Standards, including FRS 101, 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 appropriate to presume that the company will not 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

By order of the board

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O, Jonathan.Burton  
Date: 2023.06.29 10:17:58  
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J. Burton  
Company Secretary

29 June  
..... 2023

# **Independent auditors' report to the members of ETAS Limited**

*(All amounts in £ unless otherwise stated)*

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## **Opinion**

We have audited the financial statements of ETAS Limited for the year ended 31 December 2022 which comprise the Income statement, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 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 12 months and one day 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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

We have nothing to report in this regard.

## **Independent auditors' report to the members of ETAS Limited (continued)**

*(All amounts in £ unless otherwise stated)*

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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 the 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 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 9, 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.

## **Independent auditors' report to the members of ETAS Limited (continued)**

*(All amounts in £ unless otherwise stated)*

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### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined the most significant to be those relating to the United Kingdom General Accepted Accounting Practice, the Companies Act 2006, and United Kingdom direct and indirect tax regulations. In addition, the company must comply with operational and employment laws and regulations including health and safety regulations, environmental regulations and GDPR.
- We understood how ETAS Limited is complying with those frameworks by making enquiries of senior finance personnel and those charged with governance and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management, and those charged with governance to understand where it considered there was susceptibility to fraud. We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and gained an understanding as to how those procedures and controls are implemented and monitored. We determined there to be a risk of management override in relation to the posting of non-standard manual journals in respect of revenue and expenses. To address the risk of management override, we have used data analytics and obtained the entire population of journals for the year, and identified specific transactions for further investigation based on certain criteria. We understood the transactions identified for testing and agreed them to source documentation.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included obtaining and reading board and management meeting minutes and relevant approval documents, enquiries of senior finance personnel and those charged with governance and agreement of samples of transactions throughout the audit to supporting source documentation.

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

## **Independent auditors' report to the members of ETAS Limited (continued)**

*(All amounts in £ unless otherwise stated)*

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### **Use of our report**

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

*Ernst & Young LLP*

Mandip Dosanjh (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Luton

..... 29 June 2023

## Income statement for the year ended 31 December 2022

(All amounts in £ unless otherwise stated)

		Year ended 31 December	
		2022	2021
Continuing operations	Notes		
<b>Revenue</b>	4	<b>16,439,063</b>	11,680,448
Administrative expenses		(15,465,524)	(11,023,094)
Other operating income	5	689,394	490,422
<b>Operating profit</b>	5	<b>1,662,933</b>	1,147,776
Finance income	7	57,688	2,871
Finance expense	7	(84,744)	(87,227)
Net finance expense	7	(27,056)	(84,356)
<b>Profit before income tax</b>		<b>1,635,877</b>	1,063,420
Income tax expense	8	(314,366)	(214,282)
<b>Profit for the financial year</b>		<b>1,321,511</b>	849,138

The notes on pages 17 to 39 are an integral part of these financial statements.

All activity is derived from continuing operations.

There is no other comprehensive income for 2022 or 2021 and therefore no statement of comprehensive income has been presented.

## Statement of financial position

(All amounts in £ unless otherwise stated)

	Notes	As at 31 December	
		2022	2021
<b>Non-current assets</b>			
Property, plant and equipment	9	664,450	752,162
Right-of-use assets	10	2,264,844	2,577,243
Deferred tax asset	11	31,387	37,630
		<b>2,960,681</b>	<b>3,367,035</b>
<b>Current assets</b>			
Trade and other receivables (including £nil (2021: £nil) due after more than one year)	12	1,928,491	1,240,001
Cash and cash equivalents		4,973,028	4,311,118
		<b>6,901,519</b>	<b>5,551,119</b>
<b>Creditors: amounts falling due within one year</b>	13	<b>(2,619,032)</b>	<b>(2,633,590)</b>
<b>Net current assets</b>		<b>4,282,487</b>	<b>2,917,529</b>
<b>Total assets less current liabilities</b>		<b>7,243,168</b>	<b>6,284,564</b>
Creditors: amounts falling due after more than one year	14	(2,790,277)	(3,178,684)
Provisions for liabilities	15	(85,917)	(60,417)
<b>Net assets</b>		<b>4,366,974</b>	<b>3,045,463</b>
<b>Equity</b>			
Share capital	17	144	144
Share premium	17	765,528	765,528
Retained earnings		3,601,302	2,279,791
<b>Total shareholders' funds</b>		<b>4,366,974</b>	<b>3,045,463</b>

The notes on pages 17 to 39 are an integral part of these financial statements.

29 June

These financial statements were authorised for issue by the board of directors on ..... 2023 and were signed on its behalf by:

pki, BOSCH  
 EMEA, N. I.  
 nick.keeling  
 Digitally signed by  
 pki, BOSCH, EMEA,  
 N. I. nick.keeling  
 Date: 2023.06.29  
 11:23:39 +01'00'  
 N. Keeling  
 Director

ETAS Limited  
 Registered no. 3383737



## Statement of changes in equity for the year ended 31 December 2022

(All amounts in £ unless otherwise stated)

	Called-up share capital	Share premium	Retained earnings	Total
<b>Balance as at 1 January 2021</b>	144	765,528	1,430,853	<b>2,196,525</b>
Profit for the financial year	-	-	849,138	<b>849,138</b>
<b>Total comprehensive income for the year</b>	-	-	849,138	<b>849,138</b>
<b>Balance as at 31 December 2021</b>	144	765,528	2,279,791	<b>3,045,463</b>
<b>Balance as at 1 January 2022</b>	144	765,528	2,279,791	<b>3,045,463</b>
Profit for the financial year	-	-	1,321,511	<b>1,321,511</b>
<b>Total comprehensive income for the year</b>	-	-	1,321,511	<b>1,321,511</b>
<b>Balance as at 31 December 2022</b>	<b>144</b>	<b>765,528</b>	<b>3,601,302</b>	<b>4,366,974</b>

The notes on pages 17 to 39 are an integral part of these financial statements.

## Notes to the financial statements

(All amounts in £ unless otherwise stated)

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### 1 General information

ETAS Limited provides engineering and sales support services to ETAS GmbH (fellow subsidiary company of Robert Bosch GmbH).

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom.

### 2 Significant accounting policies

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

#### 2.1 Basis of Preparation

The financial statements of ETAS Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from contracts with customers'.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
  - i. paragraph 79(a)(iv) of IAS 1;
  - ii. paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
  - iii. paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - i. 10(d) (statement of cash flows);
  - ii. 16 (statement of compliance with all IFRS);
  - iii. 38A (requirement for minimum of two primary statements, including cash flow statements);
  - iv. 38B–D (additional comparative information);
  - v. 111 (cash flow statement information); and
  - vi. 134–136 (capital management disclosures).
- IAS 7, 'Statement of cash-flows'.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

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### Basis of Preparation (continued)

- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation). The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

#### 2.1.1 Going concern

The company's business activities together with the factors likely to affect its future development, its financial position and exposure to risks are described in the Strategic Report.

The company has an excess of current assets over current liabilities of £4,282,487 at 31 December 2022. (2021: excess of current assets over current liabilities of £2,917,529). The company meets its day to day working capital requirements through its cash reserves and borrowings.

The current economic conditions continue to create uncertainty, particularly over the level of demand for the company's products.

The proven flexibility of the company's support systems and the implementation of home-working have allowed a hybrid-working solution to be developed with staff splitting their time between working from home and important interaction in the offices.

The conflict in Ukraine has had limited direct impact on the business as the company's primary target market is in Germany. To mitigate this price increase, Bosch in the UK has entered in to fixed price, minimum supply energy contracts with its supplier.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to continue to operate within the level of its current cash reserves and borrowings.

The company is dependent on the continued support of the ultimate parent company, Robert Bosch GmbH. The Company has received a letter of support from the ultimate parent company, capped at a maximum of £5.5m. The ultimate parent company has confirmed that it will continue to support the Company in order to meet its liabilities as they fall due up to the maximum of the capped amount. This support is valid for a period of 12 months and one day from the date of approval of the financial statements.

The Directors have assessed the ability of Robert Bosch GmbH to support the company and are satisfied with the level of support provided and that they are in a position to provide such support as and when required

After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### 2.1.2 New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 have had a material impact on the company.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

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### 2.2 Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income'.

### 2.3 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost could also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate cost or revalued amounts less residual values over estimated useful lives, as follows:

- Computer equipment 3 years
- Furniture, fixtures and fittings 5 years
- Land and buildings 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if it is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, and they are recognised within 'Other income' in the income statement.

### 2.4 Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 2.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

## **Notes to the financial statements (continued)**

*(All amounts in £ unless otherwise stated)*

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### **2.6 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **2.7 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **2.8 Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting, nor taxable, profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the statement of the financial position and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 2.9 Employee benefits

The company operates various post-employment schemes, including defined contribution pension plans and post-employment medical plans.

#### a) Pension obligations

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2.10 Provisions

Provisions are recognised where: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Reorganisation provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations is small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 2.11 Revenue recognition

Revenue is recognised in accordance with the requirements of IFRS 15 'Revenue from Contracts with Customers'. The Company recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

1. Identify the contract(s) with the customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognise revenue when (or as) the entity satisfies a performance obligation.

#### a) Sale of services

The company sells software engineering services to two other companies within the Bosch group (ETAS GmbH and Escrypt GmbH). For sales of services, revenue is recognised in the accounting period in which the services are rendered, by reference to a monthly cost plus 5% sales invoice.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

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### 2.12 Finance income/(expense)

Finance income/(expense) is recognised using the effective interest rate method. In calculating interest income/(expense), the effective interest rate is applied to the gross carrying amount of the asset, when the asset is not impaired or to the amortised cost of the liability for interest expense. For financial assets that have been impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired the interest income calculation reverts to the gross carrying amount.

### 2.13 Leases

The company leases an office, equipment and vehicles. Rental contracts are typically made for fixed periods of 1 to 10 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. The company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Leases where the individual lease value is below £5,000 are not recognised as right-of-use assets but continue as operating leases. See note 19.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 2.13 Leases (continued)

To determine the incremental borrowing rate, the company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

#### *Extension and termination options*

Extension and termination options are included in a number of property and equipment leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

#### *Critical judgements in determining the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of warehouses and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate);
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.



## **Notes to the financial statements (continued)**

*(All amounts in £ unless otherwise stated)*

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### **2.13 Leases (continued)**

Most extension options in offices and vehicles leases have not been included in the lease liability, because the company could replace the assets without significant cost or business disruption.

As at 31 December 2022, potential future cash outflows of £nil (undiscounted) (2021: £nil) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of £nil.

### **2.14 Dividend distributions**

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

### **2.15 Grants**

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 3.1 Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions made in arriving at the carrying amounts of assets and liabilities are:

a) Useful economic lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property, plant and equipment and note 2.3 for the useful economic lives for each class of assets.

b) Research and Development Expenditure Credit (RDEC)

The company qualifies for RDEC and makes an estimate of the amount receivable based on number of employees, their hourly rate and time spent working on qualifying projects. The estimate reflects the information available at the year-end.

c) Lease accounting

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

- For leases of warehouses, retail stores and equipment, the following factors are normally the most relevant:
- If there are significant penalties to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and vehicles leases have not been included in the lease liability, because the company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of £nil.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 4 Revenue

Analysis of revenue by geography:

	2022	2021
Germany	16,439,063	11,680,448
	16,439,063	11,680,448

Analysis of revenue by category:

	2022	2021
Rendering of services	16,439,063	11,680,448
	16,439,063	11,680,448

### 5 Operating profit

Operating profit is stated after charging:

	2022	2021
Wages and salaries	8,507,862	6,401,943
Social security costs	913,199	633,337
Other pension costs (note 16)	526,933	379,837
Staff costs	9,947,994	7,415,117
Rental Income (included in Other Operating Income)	(138,223)	(66,383)
Depreciation of owned tangible assets	159,669	171,482
Depreciation of right-of-use assets	408,521	392,189
Operating lease expenses	117,352	73,288
Exchange differences recognised in profit or loss	17,810	5,918
Audit fees payable to the company's auditor in respect of statutory audit services	15,658	16,020
Research and development expenditure credit (included in Other Operating Income)	(551,171)	(424,039)

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 6 Employees and directors

#### Employees

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

By activity	2022 Number	2021 Number
Production / Engineering	152	102
Selling and distribution	4	5
Administration	6	4
	<b>162</b>	<b>111</b>

#### Directors

The directors' emoluments were as follows:

	2022	2021
Aggregate emoluments	<b>138,356</b>	131,139

Post-employment benefits are accruing for 1 (2021: 1) directors under a defined contribution scheme.

#### Highest paid director

The highest paid director's emoluments were as follows:

	2022	2021
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	<b>138,356</b>	131,139
Defined contribution scheme:		
- accrued pension at the end of the year	<b>20,301</b>	19,352

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 7 Finance income and expense

#### Finance income

	2022	2021
Bank interest income	57,688	2,871
Total interest income on financial assets measured at fair value through profit and loss	57,688	2,871
<b>Total finance income</b>	<b>57,688</b>	<b>2,871</b>

#### Finance expense

	2022	2021
Interest and finance charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	84,744	87,227
<b>Total finance expense</b>	<b>84,744</b>	<b>87,227</b>

#### Net finance income

	2022	2021
Interest income	57,688	2,871
Interest expense	(84,744)	(87,227)
<b>Net finance expense</b>	<b>(27,056)</b>	<b>(84,356)</b>

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 8 Income tax

Tax expense included in profit or loss:

	2022	2021
Current tax:		
- UK corporation tax on profits for the year	299,347	110,925
- Adjustment in respect of prior periods	8,776	-
Total current tax	308,123	110,925
Deferred tax:		
- Origination and reversal of timing differences	(6,034)	133,734
- Impact of change in tax rate	(1,906)	(44,785)
- Adjustments in respect of prior periods	14,183	14,408
Total deferred tax	6,243	103,357
<b>Tax on profit recognised in the income statement</b>	<b>314,366</b>	<b>214,282</b>

Tax charge for the year is the higher (2021: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19.00% (2021: 19.00%). The differences are explained below:

	2022	2021
Profit before income tax	1,635,877	1,063,420
Profit before income tax multiplied by the standard rate of tax in the UK of 19.00% (2021: 19.00%)	310,817	202,050
Effects of:		
- Fixed asset differences	(4,006)	10,960
- Remeasurement of deferred tax – change in UK tax rate	(1,906)	(9,032)
- Adjustments in respect of prior periods	22,959	14,408
- Expenses not deductible for tax purposes	5,724	9,963
- R&D credits	(19,222)	(14,067)
<b>Tax charge</b>	<b>314,366</b>	<b>214,282</b>

The corporation tax rate for the current year is 19.00%. The Finance Act 2021 substantively enacted the increase in the corporation tax rate from 19% to 25%, which will take effect from 1 April 2023.

The effect of the rate increase has been reflected in the deferred tax balances in the financial statements.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 9 Property, plant and equipment

	Plant and machinery	Total
<b>Cost</b>		
As at 1 January 2022	1,622,519	1,622,519
Additions	71,957	71,957
Disposals		
As at 31 December 2022	1,694,476	1,694,476
<b>Accumulated depreciation</b>		
As at 1 January 2022	870,357	870,357
Disposals		
Depreciation charge for the year	159,669	159,669
As at 31 December 2022	1,030,026	1,030,026
<b>Net book amount</b>		
As at 31 December 2021	752,162	752,162
As at 31 December 2022	664,450	664,450

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 10 Leases

This note provides information for leases where the company is a lessee.

#### Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

<b>Right of Use Assets</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>			
As at 1 January 2022	3,320,780	197,184	3,517,964
Additions	-	112,266	112,266
Disposals	-	(106,607)	(106,607)
As at 31 December 2022	3,320,780	202,843	3,523,623
<b>Accumulated depreciation</b>			
As at 1 January 2022	836,652	104,069	940,721
Disposals	-	(90,463)	(90,463)
Depreciation charge for the year	332,078	76,443	408,521
As at 31 December 2022	1,168,730	90,049	1,258,779
<b>Net book amount</b>			
As at 31 December 2021	2,484,128	93,115	2,577,243
<b>As at 31 December 2022</b>	<b>2,152,050</b>	<b>112,794</b>	<b>2,264,844</b>

	<b>2022</b>	<b>2021</b>
<b>Lease liabilities</b>		
Current	451,252	240,993
Non-current	2,790,277	3,178,684
	<b>3,241,259</b>	<b>3,419,677</b>



## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 10 Leases (continued)

#### Amounts recognised in the income statement

The income statement shows the following amounts relating to leases:

	Notes	2022	2021
Depreciation charge of right-of-use assets		408,521	392,189
Interest expense (included in finance cost)	7	84,744	87,227
Lease expense relating to short-term and low value assets		117,352	73,288
		610,617	552,704

A maturity analysis of lease liabilities based on an undiscounted gross cashflow is as follows:

	2022	2021
Not later than one year	451,252	378
Later than one year and not later than five years	2,194,039	265,602
More than five years	680,982	3,240,924
Total gross payments	3,326,273	3,506,904
Impact of finance expenses	(84,744)	(87,227)
Carrying amount of liability	3,241,529	3,419,677

The total cash outflow for leases was as follows:

	2022	2021
Lease payments	374,539	281,617
Lease interest	84,744	87,227
Short-term lease payments	117,352	73,288
	576,635	442,132

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 11 Deferred tax asset

The asset for deferred tax consists of the following deferred tax liabilities/(assets):

	2022	2021
Deferred tax assets due within 12 months	-	-
Deferred tax liabilities due within 12 months	-	-
<b>Total asset/(provision)</b>	<b>-</b>	<b>-</b>
	<b>2022</b>	<b>2021</b>
Deferred tax assets due after 12 months	<b>31,387</b>	37,630
Deferred tax liabilities due after 12 months	-	-
<b>Total asset/(provision)</b>	<b>31,387</b>	<b>37,630</b>
<b>Total deferred tax asset/(provision)</b>	<b>2022</b>	<b>2021</b>
<b>Total asset</b>	<b>31,387</b>	<b>37,630</b>

Deferred tax assets	Trade losses	Property, plant and equipment	Employee benefits	Provisions	Total
<b>At 1 January 2021</b>	88,081	17,296	8,174	27,636	<b>141,187</b>
Charged to the income statement	(88,081)	6,469	5,691	(27,636)	<b>(103,557)</b>
<b>At 31 December 2021</b>	-	<b>23,765</b>	<b>13,865</b>	-	<b>37,630</b>
Charged/utilised to the income statement	-	(12,763)	6,520	-	<b>(6,243)</b>
<b>At 31 December 2022</b>	-	<b>11,002</b>	<b>20,385</b>	-	<b>31,387</b>

The Finance Act 2021 substantively enacted the increase in the corporation tax rate from 19% to 25%, which will take effect from 1 April 2023. The effect of the rate increase has been reflected in the deferred tax balances in the financial statements.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 12 Trade and other receivables

	2022	2021
Amounts owed by group undertakings	660,000	-
Other receivables	242,239	109,918
Corporation tax	859,262	910,034
Prepayments and accrued income	166,990	220,049
	<b>1,928,491</b>	<b>1,240,001</b>
Due within one year	1,928,491	1,240,001
Due after more than one year	-	-

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

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

	Notes	2022	2021
Trade creditors		501,998	233,712
Amounts owed to group undertakings		70,991	1,021,325
Taxation and social security		140,644	96,617
Lease liabilities	10	451,252	240,993
Accruals and deferred income		1,454,147	1,040,943
		<b>2,619,032</b>	<b>2,633,590</b>

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 14 Creditors: amounts falling due after more one year

Amounts falling due after more than one year and less than five years:

	Notes	2022	2021
Lease liabilities	10	2,109,295	1,375,178
		2,109,295	1,375,178

Amounts falling due after more than five years:

	Notes	2022	2021
Lease liabilities	10	680,982	1,803,506
		680,982	1,803,506

		2022	2021
<b>Total: amounts falling due after more than one year</b>	10	<b>2,790,277</b>	<b>3,178,684</b>

### 15 Provisions for liabilities

	Dilapidation provision	Total
At 1 January 2022	60,417	60,417
Additions to the income statement	25,500	25,500
Amounts utilised		
<b>At 31 December 2022</b>	<b>85,917</b>	<b>85,917</b>

#### Dilapidation provision

The provision for dilapidations relates to expected costs to bring the leasehold properties to their original condition under contractual obligations existing at the date of the statement of financial position.

It is expected that the majority of this expenditure will be incurred within five years of the date of the statement of financial position.

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 16 Post-employment benefits

The company operates a pension scheme for its employees.

#### Defined contribution scheme

The company established a money purchase plan in April 1990. The plan's assets are held independently from the company and invested in managed funds operated by major financial institutions. Any employee can contribute to the scheme; the company will match the employee's contribution, subject to a limit, where the limit is dependent upon the length of time each employee has been a member of the scheme.

The amount recognised as an expense for the defined contribution scheme was:

	2022	2021
Current year contributions	526,933	379,837

At 31 December 2022 the company had outstanding contributions of £82,181 (2021: £55,462).

In accordance with legislation, the company has adopted the requirements of auto-enrolment under the defined contribution scheme.

### 17 Share capital

#### Share capital

##### Ordinary shares

Authorised, allotted and fully paid up	2022	2021
On issue at 1 January		
- 7,200,000 ordinary shares of £0.00001 each	72	72
- 2,494,590 cumulative 'A' shares of £0.00001 each	25	25
- 4,701,374 cumulative 'C' shares of £0.00001 each	47	47
	144	144
On issue at 31 December – fully paid		
- 7,200,000 ordinary shares of £0.00001 each	72	72
- 2,494,590 cumulative 'A' shares of £0.00001 each	25	25
- 4,701,374 cumulative 'C' shares of £0.00001 each	47	47
	144	144

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 17 Share capital (continued)

The ordinary shares have the right to a dividend as determined by the directors, up to the amount of the participating dividend paid on each "A" and "C" ordinary share. No dividend shall be payable on the ordinary shares unless net profit is at least three times the total of all dividends made or proposed in respect of that financial year plus any excess benefits; there are no arrears of any other dividends; the participating dividends are paid up in full; and dividends on ordinary shares for the financial year do not exceed, in aggregate, £125,000.

The holders of ordinary shares are entitled one vote per share at meetings of the company.

The cumulative "A" ordinary shares and cumulative "C" ordinary shares carry rights to a participating dividend equal to 6% of net profit, accruing from 1 July 2003. In addition, where the directors receive "excess benefits", defined as benefits in excess of the aggregate sum set by the Compensation Committee, the cumulative "A" and cumulative "C" ordinary shares have the right to a compensatory dividend, calculated by dividing the excess benefits by the number of shares held by the directors.

The holders of cumulative "A" ordinary shares and cumulative "C" ordinary shares are entitled to one vote per share.

The holders of the cumulative "A" ordinary shares and the cumulative "C" ordinary shares may, at any time, convert the whole of their holding of cumulative "A" ordinary shares and cumulative "C" ordinary shares into a like number of ordinary shares.

On return of assets on liquidation, capital reduction, or otherwise, the assets of the company which are remaining after the payments of its liabilities shall be applied in the following order of priority:

- First, in paying £500,000 to the holders of the cumulative "A" ordinary shares;
- Second, in paying £9,200,000 to the holders of the cumulative "C" ordinary shares and £825,000 to the holders of the cumulative "A" ordinary shares;
- Third, in paying to the holders of the ordinary shares such sum per share as is equivalent to the total sum per share paid to the holders of the cumulative "A" ordinary shares;
- Fourth, in paying such additional sum per share to the holders of the cumulative "A" ordinary shares and ordinary shares such that the total amount paid per share on cumulative "A" ordinary shares and ordinary shares is equal to the amount paid on each of the cumulative "C" ordinary shares.

The balance of such assets will be distributed among the holders of the cumulative "A" ordinary shares and the ordinary shares in proportion to the amounts paid up on the shares respectively.

#### *Capital restructure*

During the course of the financial year ended 31 December 2018, the Company effected a reduction of the amount standing to the credit of the Company's share premium account in accordance with the solvency statement procedure for private limited companies set out in sections 641 to 644 inclusive of the Companies Act 2006. The amount standing to the credit of the Company's share premium account, £10,460,931 was reduced by £9,695,403 to £765,528. Following the reduction of capital, a dividend of £5,300,000 was paid to the Company's immediate parent company,

#### *Dividends*

After the date of the statement of financial position, the directors proposed to pay no dividends for the year ended 31 December 2022 (2021: nil).

## Notes to the financial statements (continued)

(All amounts in £ unless otherwise stated)

### 18 Contingent liabilities

The company's banking arrangement is part of a cash pool netting arrangement with certain other UK subsidiaries of Robert Bosch GmbH, each being jointly and severally liable. Each participating company has provided a guarantee to the Bank. Under the terms of the Agreement and the guarantees, the bank is authorised to allow set-off for interest purposes and in certain circumstances to seize credit balances and apply them in reduction of liabilities including debit balances within the Composite Accounting System.

The aggregate net surplus in hand under the terms of the agreement at 31 December 2022 amounted to £179,685,616 (2021: £102,983,000).

### 19 Capital and other commitments

#### Capital commitments

At 31 December 2022, the company had no capital commitments outstanding.

#### Other commitments

At 31 December 2022, the company had the following future minimum lease payments under non-cancellable short term operating leases as follows:

	2022	2021
Other:		
Not later than one year	110,284	66,384
Later than one year and not later than five years	110,284	66,384
	220,568	132,768

During the year £117,352 was recognised as an expense in the profit and loss account in respect of operating leases (2021: £73,288).

### 20 Related party transactions

Under FRS 101.8 j) and k) the company is exempt from Related Party Disclosures as required in paragraph 17 of IAS24 and those related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The remuneration of the directors, who are the key management personnel of the Company, is disclosed in note 6.

## **Notes to the financial statements (continued)**

*(All amounts in £ unless otherwise stated)*

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### **21 Controlling parties**

The immediate parent undertaking is Robert Bosch UK Holdings Limited.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Robert Bosch GmbH, a company incorporated in Germany. Copies of Robert Bosch GmbH consolidated financial statements can be obtained from Robert Bosch GmbH, Robert Bosch Platz 1, Gerlingen-Schillerhöhe, D-70049 Stuttgart, Germany.

The ultimate controlling party is Robert Bosch GmbH.

### **22 Events after the end of the reporting period**

Subsequent to the date of the statement of financial position, there were no events that are not disclosed in these financial statements.