

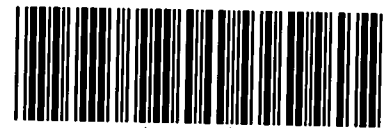
Registered number: 03467939

ZYTEK AUTOMOTIVE LIMITED
FORMERLY KNOWN AS CONTINENTAL ENGINEERING SERVICES LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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COMPANIES HOUSE

ZYTEK AUTOMOTIVE LIMITED

COMPANY INFORMATION

Directors	C R J Bayley (appointed 15 September 2023) W Lissy M C Oener N R Heslington (resigned 17 July 2023)
Company secretary	M C Oener
Registered number	03467939
Registered office	Zytek House Lancaster Road Lichfield Staffordshire WS13 8RY
Independent auditor	Crowe U.K. LLP Chartered Accountants Black Country House Rounds Green Road Oldbury West Midlands B69 2DG

ZYTEK AUTOMOTIVE LIMITED

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ZYTEK AUTOMOTIVE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

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

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

Directors

The Directors who served during the year were:

W Lissy
M C Oener
N R Heslington (resigned 17 July 2023)

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

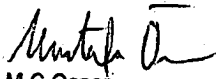
ZYTEK AUTOMOTIVE LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M C Oener
Director

Date: 08.02.2024

ZYTEK AUTOMOTIVE LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

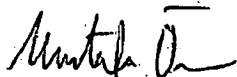
Business review

The Company does not trade, it acts as an intermediate holding company for its subsidiaries.

Principal risks and uncertainties

The Company does not trade, so it has minimal risks and uncertainties. The carrying value of the investments is considered to constitute an uncertainty. The ability of the company to meet its liabilities when they fall due is the company's primary risk.

This report was approved by the board and signed on its behalf.


M C Oener
Director

Date: 08.02.2024

ZYTEK AUTOMOTIVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZYTEK AUTOMOTIVE LIMITED

Opinion

We have audited the financial statements of ZyteK Automotive Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

ZYTEK AUTOMOTIVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZYTEK AUTOMOTIVE LIMITED (CONTINUED)

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.

Opinion 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 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 1, 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.

ZYTEK AUTOMOTIVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZYTEK AUTOMOTIVE LIMITED (CONTINUED)

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 obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, environmental protection legislation, Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: timing of recognition of income; the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty; and manipulating the Company's key performance indicators to meet management targets.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review and discussion of non-routine transactions, sample testing on the posting of journals and income transactions and review of accounting estimates for biases.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

ZYTEK AUTOMOTIVE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZYTEK AUTOMOTIVE LIMITED
(CONTINUED)**

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.

Crowe UK LLP

Crowe U.K. LLP

Chartered Accountants

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 13 February 2024

ZYTEK AUTOMOTIVE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**


The company has not traded during the year or the preceding year. During these periods, the company received no income and incurred no expenditure and therefore made neither no profit or loss.

ZYTEK AUTOMOTIVE LIMITED
REGISTERED NUMBER: 03467939

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	5	4,036,040	4,036,040
Creditors: amounts falling due within one year	6	(1,561,322)	(1,561,322)
Net current liabilities		(1,561,322)	(1,561,322)
Total assets less current liabilities		2,474,718	2,474,718
Net assets		2,474,718	2,474,718
Capital and reserves			
Called up share capital	7	5,262	5,262
Share premium account	8	1,994,732	1,994,732
Profit and loss account	8	474,724	474,724
		2,474,718	2,474,718

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


M C Oener
Director

Date: 08.02.2024

The notes on pages 10 to 13 form part of these financial statements.

ZYTEK AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Zytek Automotive Services Limited (formerly known as Continental Engineering Services Limited) is a private Company limited by shares, registered in England and Wales, and incorporated in England. The registered office is Zytek House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY. The company's registered number is 03467939.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Continental AG as at 31 December 2022 and these financial statements may be obtained from Zytek House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of Germany and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ZYTEK AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Financial liabilities

Basic financial liabilities, which include loans from fellow group companies and other payables are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

3. Auditor's remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

4. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL).

The Directors' remuneration was paid by Continental Engineering Services Limited a subsidiary of Zytec Automotives Limited.

ZYTEK AUTOMOTIVE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	4,036,040
At 31 December 2022	<u>4,036,040</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Zytek Group Limited	Zytek House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY	Ordinary shares of £1 each	100%
Continental Engineering Services Limited (Formerly Zytek Automotive Limited)	Zytek House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY	Ordinary shares of £1 each	100%

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name

6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	1,555,669	1,555,669
Other creditors	5,653	5,653
	<u>1,561,322</u>	<u>1,561,322</u>

ZYTEK AUTOMOTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
5,262 (2021 - 5,262) Voting A Ordinary shares shares of £1.00 each	<u>5,262</u>	<u>5,262</u>

All shares of the same class have the same right to receive a dividend. Further detail of the rights attaching to each class of share can be found in the company's articles of association.

8. Reserves

Share premium account

There was no movement on the share premium account in the year. The share premium account represents the premium paid on shares in previous years.

Profit and loss account

There was no movement on the profit and loss account in the year. The profit and loss account represents the accumulated profits less distributions to the company's parent undertaking, arising historically when the company traded.

9. Related party transactions

The company has taken advantage of the exemption conferred by the Financial Reporting Standard 102 section 33.1A not to disclose the details of transactions within the group undertakings that have been included in the consolidation of the ultimate parent company, Continental AG.

10. Controlling party

The Company's immediate parent undertaking is CAS UK Holding Limited, which owns 4,262 of the ordinary shares. The remaining 1,000 shares are held by Continental AG. The ultimate parent Company is Continental AG, a Company incorporated in Germany, which prepares consolidated financial statements. Copies of the group financial statements are available from Zyte House, Lancaster Road, Fradley Park, Lichfield, Staffordshire, WS13 8RY.