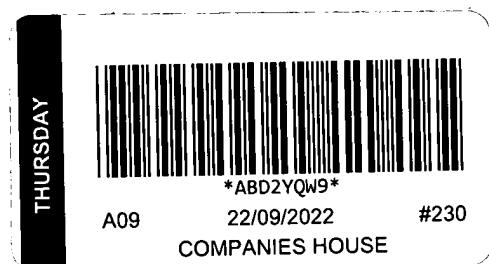


Robert Bosch UK Holdings Limited

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

Company Number: 07394406
Incorporated: 01 October 2010



Company information for the year ended 31 December 2021

Directors	M. McGrath V. Rajakoba
Company secretary	J. Burton
Company number	07394406
Registered office	Broadwater Park North Orbital Road P.O. Box 1092 Denham Uxbridge UB9 5HJ
Independent auditors	Ernst & Young LLP 400 Capability Green Luton LU1 3LU

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Strategic report for the year ended 31 December 2021

(All amounts in £ thousands unless otherwise stated)

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

Principal activities

The company's principal activity during the year was as the holding company for the majority of the Robert Bosch Group's UK subsidiaries and affiliates. In addition, the company acts as the regional organisation for functions covering Bosch subsidiaries and affiliates in the UK and the Republic of Ireland.

Results and dividends

The profit for the year, after taxation, amounted to £135,078 (2020: £7,167).

No dividend was paid during the year (2020: £nil). The recommended proposed dividend for the year ended 31 December 2020 was subsequently cancelled (see Note 19).

The directors have recommended no dividend will be paid in relation to the year ended 31 December 2021, equivalent to nil p per share.

Review of the business

In 2021, revenue increased from £93,105 to £110,896 and profit before income taxation increased from £8,723 in 2020 to £139,479.

Operating profit has increased from £81,519 to £98,235.

In 2021, the company generated revenue of £12,455 (2020: £13,105) from the provision of services rendered as regional organisation for the Bosch subsidiaries and affiliates in the UK and the Republic of Ireland. In addition, the company received dividend income of £98,441 (2020: £80,000).

The statement of financial position at the end of the year improved upon prior year as a result of current year profits and a gain on a partial disposal of an associated undertaking.

Key performance indicators

The company is a holding company and therefore is heavily dependent upon the performance of the subsidiaries and divisions in the UK. Progress is monitored by the board and the divisional directors by reference to the following KPIs:

	2021	2020	
Growth in sales (%)	19.1	73.8	Year on year sales growth expressed as a percentage.
Operating margin (%)	88.6	87.6	Operating margin is the ratio of operating profit (before exceptional items) to sales, expressed as a percentage.
Return on invested capital (%)	9.7	9.2	Operating profit expressed as a percentage of net assets (excluding pension deficit).

Strategic report for the year ended 31 December 2021 (continued)

(All amounts in £ thousands unless otherwise stated)

Principal risks and uncertainties

a) Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The company does not use derivative financial instruments to manage interest rate costs and as such no hedge accounting is applied.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

b) Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will continue to revisit the appropriateness of this policy should the company's operations change in size or nature.

c) Credit risk

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set by the board. The utilisation of credit limits is regularly monitored. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

d) Liquidity risk

The company currently has no requirements for debt finance outside the Robert Bosch Group.

e) Interest rate cash flow risk

The company has interest bearing assets in the form of cash-pool balances held by Robert Bosch UK Holdings Limited. The interest-bearing assets are in the form of cash balances, the interest rate received on these balances is at the market rate. The company has a policy of maintaining debt at a fixed rate to ensure the certainty of future cash flows. These policies thereby limit the interest rate and cash flow risk.

f) Brexit

The company sells a significant part of its product into Europe and as such is exposed to any issues which may result from 2021 onwards relating to Brexit whether this be logistical, cost or forex, the company using internal advisors has attempted to mitigate these risks where possible.

g) COVID-19

The company will continue to be exposed to COVID-19 risks whether this be at home or abroad, whilst the situation in the UK becomes clearer and a return to normal is slowly anticipated, other countries are not as fortunate and this still allows for issues relating to raw materials, logistics and product sales to potentially upset the businesses standing trading performance during the next 12 months.

Strategic report for the year ended 31 December 2021 (continued)

(All amounts in £ thousands unless otherwise stated)

Principal risks and uncertainties (continued)

h) Ukraine Conflict

The recent conflict in Ukraine has had limited direct impact on the business as the company's primary target market is the United Kingdom. Trade debt balances and cash movements with both Russia and Ukraine are not material to the company's performance. Indirect effects are primarily cost increases from both energy costs and underlying inflationary pressures. The former is mitigated as the company enters the warmer summer period but if the conflict is extended this will again become a greater issue. Whilst costs will increase, these increases will not have a material impact from a going concern perspective.

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 Robert Bosch UK Holdings 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 2021.

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 2021 (continued)

(All amounts in £ thousands unless otherwise stated)

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

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Jonathan.Burton

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UK, J. O. Jonathan.Burton
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J. Burton

Company Secretary

15 September
.....2022

Directors' report for the year ended 31 December 2021

(All amounts in £ thousands unless otherwise stated)

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

Future developments

The company has taken the decision as allowed under s414C of the Companies Act 2006 not to disclose information about impending developments or matters in the course of negotiation as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company.

Political donations and political expenditure

There were no political donations during the year (2020: £nil).

Directors

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

M. McGrath

V. Rajakoba

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.

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.

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 liabilities over current assets of £129,364 at 31 December 2021. (2020: excess of current assets over current liabilities of £30,476). 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 subsidiaries' products. The UK government's late 2021 decision to cancel the majority of lockdown conditions has resulted in a gradual return to normal working conditions as widespread vaccination programmes have reduced the threat from the COVID-19 virus.

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.

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

(All amounts in £ thousands unless otherwise stated)

Going concern (continued)

The recent conflict in Ukraine has had limited direct impact on the business as the company's primary target market is the United Kingdom. Trade debt balances and cash movements with both Russia and Ukraine are not material to the company's performance. Indirect effects are primarily cost increases from both energy costs and underlying inflationary pressures. The former is mitigated as the company enters the warmer summer period but if the conflict is extended this will again become a greater issue.

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 has received a letter of support from the ultimate parent company Robert Bosch GmbH, capped at a maximum of £350m. 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

Energy Efficiency Measures

In 2021 Robert Bosch UK Holdings Limited has undertaken the following energy efficiency measures:

The main target for Robert Bosch UK Holdings Limited and the Bosch UK group overall was to ensure compliance and alignment to the Bosch group's global targets as set by the Bosch group executive board of management which committed for Bosch group to be carbon neutral in electricity, gas and mobile emissions. This was achieved by the procurement of 100% green renewable electricity for all UK premises and offsetting of gas and direct transport emissions by centrally procured carbon credits from South Pole Limited (South Pole Limited are a global organisation that specialises in global carbon reduction projects from which Robert Bosch GmbH and all subsidiaries purchase its carbon credits). Robert Bosch UK Holdings Limited complied with this target.

In 2020, the UK Board of management established a UK sustainability policy to focus on 5 key pillars. Key pillars considered in the UK sustainability policy are:

Energy – Procurement, monitoring, efficiency technology projects and overall reduction targets.

In 2021, the main manufacturing sites completed the installation of Bosch energy platform which monitors, controls and regulates the buildings HVAC plant, manufacturing MAE and heating systems. The sites facilities management team have been able to identify areas of energy inefficiency, alter the operating settings and reduce consumption throughout the building.

Electricity continued to be purchased from 100% green renewable sources and confirmed by Guarantees of Origin.

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

(All amounts in £ thousands unless otherwise stated)

Streamlined Energy and Carbon Reporting framework (continued)

Waste - Segregation, waste reduction, eradication of non-recyclable materials from waste stream, product whole-life cycle analysis.

The first phase of the "Waste" pillar was to instruct an independent waste consultant to conduct a full review of the current processes on each site, what materials and volumes are being disposed of and data capture to,

- Ensure a transparent strategy for Waste management.
- Provide a uniform approach to Waste segregation/collection across all sites.
- Maximise revenue generated by valuable waste materials.
- Recycle as much of the generated waste as possible, with a view to eradicating all non-recyclable waste materials (where possible).
- Benefit from reduction in waste disposal costs.
- Be compliant ensuring all Bosch global targets are met.

A full report with recommendations is compiled by the consultant which will be reviewed and targets will be established by the UK Board of management.

- **Fleet vehicles** - Green policy, Electric Vehicle charging.

In 2021 the Company car policy was reviewed and altered to ensure that all associates that are eligible for a company car can order either a full Electric Vehicle or a hybrid vehicle.

EV charging has been standardised across the Bosch UK Group and has been installed on all owned sites.

- **Sustainability Awareness** – Awareness and education for associates.

The UK Board of management views associate's awareness and participation in the sustainability topics as a key driver to ensure targets are met, associates have been given the opportunity to volunteer to be part of a Bosch UK working group which is sponsored by 3 representatives from the Board of management. The working group has been tasked to investigate 4 topics across the group.

- Circular economy (Product life cycle)
- Infrastructure
- Lifestyle and communications
- Onsite working practices

The group meet fortnightly to gather information, discuss progress and align processes and best practices across their respective business units.

The group's findings, suggestions and recommendations are presented by the sponsors to the board of management for consideration and approval for implementation.

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

(All amounts in £ thousands unless otherwise stated)

Streamlined Energy and Carbon Reporting framework (continued)

- **Supply chain compliance** – Evaluation and selection of supply chain for Bosch target compliance.

In 2021 supplier contracts were revised to include KPI's, SLA's and transparency in reporting on scope 3 emissions resulting from Bosch Group UK operations.

Bosch Group UK maintained the continuation of the Energy reduction strategy and investment plan in the following projects across the Bosch UK property portfolio;

- The installation of new Air Handling Plant to a number of our sites which are more energy efficient.
- We have continued to upgrade our lighting with LED lighting, global target for all properties to have LED lighting by 2023
- Investment and implementation of Bosch building technology, monitoring and asset management systems (Bosch energy platform and Bosch Phantom)
- Electric Vehicle charging infrastructure.
- Planned investment in ageing mechanical and electrical plant e.g. Inverter drives, motors, air conditioning split systems, business management system controls.
- PV installation feasibility studies were conducted on 2 main sites. Plans for installation to commence in 2022.
- Water saving measures have been implemented for test water recycling which has the potential to save 78 million litres (-58%) and 12 tonnes CO2 pa.

A number of sustainable feasibility studies are currently being investigated these include:

- Building management system controls and smart meters
- Blinds/solar controlled glass are installed to prevent glare and minimise solar gain;
- Water saving measures and leak detection;
- Heat recovery systems;
- Self-generation through renewable technologies with battery storage.

Annual Report Statement

British Independent Utilities (BiU) has supported the Company with its carbon footprint calculation which has been calculated using a methodology aligned with the principles of the Greenhouse Gas Protocol (GHG) Standard for Corporate Accounting and Reporting produced by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) - a globally recognised standard. The GHG Protocol Standard is one of the recommended methodologies under SECR guidelines. The footprint utilises UK Government conversion factors for the year of reporting.

The data captured within this year's carbon footprint has predominantly been derived from a summary spreadsheet collated by Robert Bosch UK Holdings Limited. This included an overview of consumption figures for electricity, gas, water, waste, generators, and refrigerant gas, which was demonstrated through annual totals depending on the site to which it had been attributed to. Carbon emissions emitted from vehicles have been calculated based on the miles per annum (MPA) driven by each vehicle, in addition to fuel type.

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

(All amounts in £ thousands unless otherwise stated)

Streamlined Energy and Carbon Reporting framework (continued)

Robert Bosch UK Holdings Limited				
Energy Consumption		2021	2020	Variance
Scope 1: Combustion of fuel and operation of facilities.	LPG (kWh)	-	-	-
	Natural Gas (kWh)	1,090,042	1,171,330	-7%
	Transport (kWh)	777,793	-	-
	Refrigerant (kg)	-	-	-
	Total Scope 1 Energy (kWh)	1,867,835	1,171,330	59%
Scope 2: Electricity purchased	Electricity (kWh)	287,742	254,705	13%
Scope 3: Indirect emissions	Indirect Transport (kWh)	29,870	-	-
Total Scope 1 and 2 Energy Consumption (kWh)		2,185,447	1,426,035	53%

Emissions Assessment		2021	2020	Variance
Scope 1: Combustion of fuel and operation of facilities.	LPG (tCO ₂ e)	-	-	-
	Natural Gas (tCO ₂ e)	200	215	-7%
	Transport (tCO ₂ e)	190	-	-
	Refrigerant (tCO ₂ e)	-	-	-
	Total Scope 1 (tCO₂e)	390	215	81%
Scope 2: Electricity purchased and heat and steam generated	Location based (LB) (tCO ₂ e)	61	59	3%
	Market based (LB) (tCO ₂ e)	77	88	-13%
Scope 3: Indirect emissions	Indirect Transport (tCO ₂ e)	7	-	-
Total Scope 1, 2 and 3 (Location based) Emissions (tCO₂e)		458	275	67%
Total Scope 1, 2 and 3 (Market based) Emissions (tCO₂e)		474	303	56%

Intensity Metric Assessment		2021	2020	Variance
Intensity Ratio 1	tCO ₂ e/£m Revenue	4.54	2.95	54%

EXCLUSIONS - No mandatory emissions have been excluded from this report

EMISSIONS FACTORS APPLIED - DEFRA 2020/21

METHODOLOGY - This report is aligned with GHG protocol. The emissions identified in the report are those resulting from the use of Electricity, Natural Gas, Transportation Fuels & LPG.

ESTIMATIONS - Where energy data was not available for the reporting period, this was estimated using a hierarchical approach based upon information available.

1. Pro-rata extrapolation of the figures where part year data was available
2. Substitution of figures from previous/following years where no data was available
3. Estimation using average consumption values.

SCOPE OF EMISSIONS INCLUDED IN THE REPORT - Electricity, Natural Gas, Direct Transport.

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

(All amounts in £ thousands unless otherwise stated)

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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J. Burton
Company Secretary

15 September
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Statement of directors' responsibilities for the year ended 31 December 2021

(All amounts in £ thousands unless otherwise stated)

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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J. Burton
Company Secretary

15 September 2022

Independent auditors' report to the members of Robert Bosch UK Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Robert Bosch UK Holdings Limited for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial position, the Statement of Changes in Equity and the related notes 1 to 24, 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 2021 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 twelve 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.

Independent auditors' report to the members of Robert Bosch UK Holdings Limited (continued)

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.

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 directors' responsibilities statement (set out on page 13), 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 Robert Bosch UK Holdings Limited (continued)

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.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that 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 Robert Bosch UK Holdings 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. 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 reading board meeting minutes and relevant approval documents, enquiries of senior finance personnel and those charged with governance and agreement of transactions 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.

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
Chartered Accountants and Statutory Auditors
Luton

15 September 2022

Income statement for the year ended 31 December 2021

(All amounts in £ thousands unless otherwise stated)

		Year ended 31 December	
		2021	2020
Continuing operations	Notes		
Revenue	4	110,896	93,105
Administrative expenses		(13,054)	(12,358)
Other income		393	772
Operating profit	5	98,235	81,519
Profit on sale of investments	6	23,532	-
Reversal of impairment/(impairment of investments)	13	1,432	(82,108)
Gain on revaluation of investment property	12	16,000	11,000
Profit before finance expense and income tax		139,199	10,411
Finance income	8	681	320
Finance expense	8	(401)	(2,008)
Finance income - net	8	280	(1,688)
Profit before income tax		139,479	8,723
Income tax expense	9	(4,401)	(1,556)
Profit for the financial year		135,078	7,167

The notes on pages 20 to 49 are an integral part of these financial statements.

All activity is derived from continuing operations.

There is no other comprehensive income for 2021 or 2020 and therefore no statement of comprehensive income has been presented.

Statement of financial position

(All amounts in £ thousands unless otherwise stated)

	Notes	As at 31 December	
		2021	2020
Fixed assets			
Property, plant and equipment	10	7	10
Right-of-use assets	11	4,101	743
Investment property	12	59,000	43,000
Investments in subsidiaries	13	1,116,105	807,145
		1,179,213	850,898
Current assets			
Trade and other receivables (including £nil (2020: £nil) due after more than one year)	14	3,127	2,606
Cash and cash equivalents		3,802	123,193
		6,929	125,799
Creditors: amounts falling due within one year	16	(136,293)	(95,323)
Net current liabilities		(129,364)	30,476
Total assets less current liabilities		1,049,849	881,374
Creditors: amounts falling due after more than one year	17	(28,996)	(102)
Provisions for liabilities	18	(6,111)	(1,608)
Net assets		1,014,742	879,664
Equity			
Share capital	19	163,000	163,000
Share premium		252,493	252,493
Retained earnings		599,249	464,171
Total shareholders' funds		1,014,742	879,664

The notes on pages 20 to 49 are an integral part of these financial statements.

These financial statements were authorised for issue by the board of directors on 15 September 2022 and were signed on its behalf by:

pki, BOSCH, UK, V. O, Vonjy.Rajakoba
Digitally signed by pki, BOSCH, UK, V. O, Vonjy.Rajakoba
Date: 2022.09.15 16:19:09 +01'00'

V. Rajakoba
Director

Robert Bosch UK Holdings Limited
Registered no. 07394406

Statement of changes in equity for the year ended 31 December 2021

(All amounts in £ thousands unless otherwise stated)

	Called-up share capital	Share premium	Retained earnings	Total
Balance as at 1 January 2020	100,000	252,493	457,004	809,497
Profit for the financial year	-	-	7,167	7,167
Total comprehensive income for the year	-	-	7,167	7,167
Issue of shares	63,000	-	-	63,000
Total transactions with owners, recognised directly in equity	63,000	-	-	63,000
Balance as at 31 December 2020	163,000	252,493	464,171	879,664
 Balance as at 1 January 2021	 163,000	 252,493	 464,171	 879,664
Profit for the financial year	-	-	135,078	135,078
Total comprehensive income for the year	-	-	135,078	135,078
Balance as at 31 December 2021	163,000	252,493	599,249	1,014,742

The notes on pages 20 to 49 are an integral part of these financial statements.

Notes to the financial statements

(All amounts in £ thousands unless otherwise stated)

1 General information

Robert Bosch UK Holdings Limited is the holding Company for the majority of the Robert Bosch Group's UK subsidiaries and affiliates.

The company is a private limited 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 Robert Bosch UK Holdings 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, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, 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:

- 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).
- 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'.
- 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.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.1.1 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 liabilities over current assets of £129,364 at 31 December 2021 (2020: excess of current assets over current liabilities of £30,476). 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 subsidiaries' products. The UK government's late 2021 decision to cancel the majority of lockdown conditions has resulted in a gradual return to normal working conditions as widespread vaccination programmes have reduced the threat from the virus.

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 recent conflict in Ukraine has had limited direct impact on the business as the company's primary target market is the United Kingdom. Trade debt balances and cash movements with both Russia and Ukraine are not material to the company's performance. Indirect effects are primarily cost increases from both energy costs and underlying inflationary pressures. The former is mitigated as the company enters the warmer summer period but if the conflict is extended this will again become a greater issue.

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 has received a letter of support from the ultimate parent company Robert Bosch GmbH, capped at a maximum of £350m. 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 2021 that have had a material impact on the company.

2.2 Consolidation

The company is a wholly owned subsidiary of Robert Bosch Internationale Betelligungen AG and of its ultimate parent, Robert Bosch GmbH. It is included in the consolidated financial statements of Robert Bosch GmbH, which are publicly available. Therefore the company is exempt, by virtue of section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is Robert Bosch GmbH, Robert Bosch Platz 1, Gerlingen-Schillerhöhe, D-70049 Stuttgart, Germany.

These financial statements are those of the company and not of the group.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.7.1 Financial asset – recognition and measurement

Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive cash.

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The company classifies its financial assets in the following categories: at fair value through profit or loss; and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2.7.2 Financial asset – recognition and movement

(a) Financial assets at fair value through profit or loss or at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

Equity securities which are not held for trading, and which the company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the company considers this classification to be more relevant.

Debt securities where the contractual cash flows are solely principal and interest and the objective of the company's business model is achieved both by collecting contractual cash flows and selling financial assets.

However, there are no instruments which have been classified under this category.

(b) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest. This category is the most relevant to the company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.3 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'.

2.4 Investment property

Investment properties, principally freehold office buildings, are held for long-term rental. They are carried at fair value. Changes in fair values are presented in the income statement. Fair values are determined on the basis of an independent valuation.

2.5 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:

- Furniture, fittings and equipment 3 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.

2.6 Impairment of non-financial assets

Non-financial assets that are not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.7.2 Financial asset - recognition and movement (continued)

(c) Financial assets at fair value through profit or loss

The following financial assets are classified at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost (see note (a) and (b) above)
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

The company has no financial assets measured at fair value through profit or loss.

2.7.3 Impairment of financial assets

In accordance with IFRS 9, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15.

For trade and other receivables, the company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses and trade receivables have been grouped based on shared credit risk characteristics and the days past due.

2.7.4 Financial liabilities - recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities comprise of trade creditors, amounts owed to group undertakings and bank overdrafts.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.7.5 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

The company does not have any financial liabilities which are subsequently re-measured at fair value through profit or loss.

(b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process:

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

2.7.6 De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.7.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.8 Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

2.9 Investment in associated undertakings

Investments in associated undertakings are held at cost less accumulated impairment losses.

2.10 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.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.10 Current and deferred tax (continued)

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 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.

2.11 Employee benefits

The company operates a defined contribution pension plan.

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.

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.

2.12 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 satisfy a performance obligation.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.12 Revenue recognition (continued)

(a) Sale of services

For sales of services, revenue is recognised over time in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

The services provided are in the company's role as the regional organisation for central functions covering Bosch subsidiaries and affiliates in the UK and the Republic of Ireland. This includes but is not limited to legal, tax and financial services.

(b) Contract assets and liabilities

A contract asset is recognised when a performance obligation is satisfied (i.e. the work done and revenue recognised), but the payment is still conditional on future performance of the company (i.e. not only on the passage of time). It usually means that the company will be able to bill the customer only after it satisfies other performance obligations in the same contract.

Contract assets are different from trade receivables because trade receivables represent an unconditional right to receive payment. This means that only the passage of time is required before payment is due. The significance of the distinction between a contract asset and a receivable is that the contract asset carries not only the credit risk, but other risks as well (e.g. performance risk).

The company recognises a contract liability as an obligation to transfer goods or services. This is recognised when a payment from a customer is due (or already received) before a related performance obligation is satisfied. A contract liability is commonly recognised when a customer pays a deposit when placing an order.

2.13 Interest income

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.

2.14 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.15 Leases

The company leases various offices, warehouses and vehicles. Rental contracts are typically made for fixed periods of 6 months to 8 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.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.15 Leases (continued)

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 have not been reclassified as right-of-use assets but continue as operating leases. See note 21.

- 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.

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.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.15 Leases (continued)

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.

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 2021, potential future cash outflows of £nil (undiscounted) 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.

2.16 Dividend distributions

Final 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. Interim dividends do not become a liability until they are paid.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

2.17 Financial guarantees

Financial guarantees are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- The amount determined in accordance with the expected credit loss model under IFRS 9: Financial Instruments; and
- The amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15: Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Notes to the financial statements (continued)

(All amounts in £ thousands 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.

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 value of assets and liabilities are:

a) Valuation of investment property

The valuation of the investment property is a critical estimate in arriving at the results for the year. The properties are valued annually by "desk-top" review and triennially by a "Red Book Valuation". This valuation is carried out by an independent professional firm of commercial real estate advisors. See note 12 for the carrying amount of investment property and note 2.4 for the relevant accounting policy.

b) Investments

In accordance with IAS 36 "Impairment of assets", at the end of each accounting period the company assesses whether there is an indication that an investment is impaired. This review is completed by analysing discounted future cash flow projections and asset valuations of the investment against holding value in the company's balance sheet.

If there is any indication that an investment may be impaired, the recoverable amount shall be estimated as the higher of its fair value (less any costs of disposal) and its value in use. An impairment loss is recognised in the income statement.

c) Deferred tax

Deferred taxation is provided in full on timing differences that result in an obligation at the statement of financial position date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Due to uncertainty surrounding the recoverability of deferred tax arising on valuation of investment property, the management believes that no deferred tax asset should be recognised. Please refer to note 15 to these financial statements for further information on deferred tax.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

4 Revenue

Analysis of revenue by geography:

	2021	2020
United Kingdom	110,896	93,105
	110,896	93,105

Analysis of revenue by category:

	2021	2020
Rendering of services	12,455	13,105
Dividends	98,441	80,000
	110,896	93,105

5 Operating profit

Operating profit is stated after charging:

	2021	2020
Wages and salaries	4,604	3,882
Social security costs	488	480
Other pension costs	292	215
Government grant – Job Retention Scheme (recognised in Other income)	(17)	(247)
Staff costs	5,367	4,330
Depreciation of property, plant and equipment	3	2
Depreciation of right-of-use assets	810	689
Gain on revaluation of investment property	16,000	11,000
Operating lease expenses	13	9
Audit fees payable to the company's auditor	21	21

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

6 Acquisitions

Acquisitions in the current year

Protec Fire and Security Group Limited

On 30 November 2021, the company purchased 100% of the share capital of Protec Fire and Security Group Limited and its subsidiary undertakings for £291,093 (see note 13).

Of the consideration, £20,000 is deferred until 31 May 2023 and a further £5,000 until 30 November 2023. The deferred consideration has been discounted and provided in *Creditors: amounts due after more than one year* in note 17.

BOXT Limited

On 15 December 2021, the company sold its holding of 5,974 shares (49.95% of total shares in issue) in BOXT Limited to UK Heating Limited for the consideration of £23,532. The company subsequently converted loans receivable from BOXT Limited in the amount of £16,435 into 2,599 new shares in BOXT Limited (20% of total new shares in issue) (see note 13).

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

7 Employees and directors

Employees

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

By activity	2021 Number	2020 Number
Administration	92	81
	92	81

Directors

The directors' emoluments were as follows:

	2021	2020
Aggregate emoluments	521	528

Post-employment benefits are accruing for 2 (2020: 2) directors under a defined contribution scheme.

The directors provide qualifying services to other group companies. The directors' emoluments disclosed above are amounts apportioned to the company, and the basis for apportionment is reasonable and consistent with prior years.

Highest paid director

The highest paid director's emoluments were as follows:

	2021	2020
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	213	238

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

8 Finance income and expense

Finance income

	2021	2020
Bank interest income	681	320
Total finance income	681	320

Finance expense

	2021	2020
Interest expense on financial liabilities to third parties measured at amortised cost		207
Interest expense on financial liabilities to related parties measured at amortised cost	353	1,780
Interest and finance charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	48	21
Total finance expense	401	2,008

Net finance income/(expense)

	2021	2020
Interest income	681	320
Interest expense	(401)	(2,008)
Total finance income/(expense)	280	(1,688)

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

9 Income tax

Tax expense included in profit or loss:

	2021	2020
Current tax:		
- UK corporation tax on profits for the year	121	-
- Group relief payable/(receivable)	-	(38)
- Adjustment in respect of prior periods	(223)	(68)
Total current tax	(102)	(106)
Deferred tax:		
- Origination and reversal of timing differences	3,036	1,652
- Effect of tax rate change	1,467	(6)
- Adjustments in respect of prior periods	-	16
Total deferred tax	4,503	1,662
Tax on profit	4,401	1,556

Tax charge for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2021 of 19.00% (2020: 19.00%). The differences are explained below:

	2021	2020
Profit before taxation	139,479	8,723
Profit multiplied by the standard rate of tax in the UK of 19.00% (2020: 19.00%)	26,501	1,657
Effects of:		
- Income not subject to tax	(23,447)	(15,650)
- Remeasurement of deferred tax – change in UK tax rate	1,467	(5)
- Adjustments in respect of prior periods	(223)	(51)
- Temporary differences	(9)	-
- Expenses not deductible for tax purposes	112	15,605
Tax charge	4,401	1,556

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 £ thousands unless otherwise stated)

10 Property, plant and equipment

	Fixtures, fittings, tools and equipment	Total
Cost		
At 1 January 2021	20	20
As at 31 December 2021	20	20
Accumulated depreciation		
At 1 January 2021	10	10
Depreciation	3	3
As at 31 December 2021	13	13
Net book amount		
As at 31 December 2020	10	10
As at 31 December 2021	7	7

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

11 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:

Right of Use Assets	Buildings	Vehicles	Total
Cost			
As at 1 January 2021	1,667	439	2,106
Additions	4,038	130	4,168
As at 31 December 2021	5,705	569	6,274
Accumulated depreciation			
As at 1 January 2021	1,120	243	1,363
Depreciation	684	126	810
As at 31 December 2021	1,804	369	2,173
Net book amount			
As at 31 December 2020	547	196	743
As at 31 December 2021	3,901	200	4,101

	2021	2020
Lease liabilities		
Current	92	511
Non-current	4,042	102
	4,134	613

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

11 Leases (continued)

Amounts recognised in the income statement

The income statement shows the following amounts relating to leases:

	Notes	2021	2020
Depreciation charge	5	810	689
Interest expense (included in finance cost)	8	48	21
Lease expense relating to short-term and low value assets		13	9
		871	719

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

	2021	2020
Not later than one year	173	537
Later than one year and not later than five years	1,336	102
More than five years	3,290	-
Total gross payments	4,799	639
Impact of finance expenses	(665)	(26)
Carrying amount of liability	4,134	613

The total cash outflow for leases was as follows:

	2021	2020
Lease payments	537	688
Lease interest	48	21
Short-term lease payments	13	9
	598	718

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

12 Investment property

	2021	2020
Balance at 1 January	43,000	32,000
Revaluation during the year	16,000	11,000
Balance at 31 December	59,000	43,000
Historical cost - cost	27,960	27,960
Historical cost - accumulated depreciation	(4,000)	(4,000)
Historic cost - net book value	23,960	23,960

The fair value of the investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the company's investment property portfolio every 12 months.

Rental income from investment property amounted to £2,500. Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period were incurred by the lessee (Robert Bosch Limited). There was no investment property that did not generate rental income during the period.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

13 Investments

	Notes	Shares in group undertakings
Cost		
At 1 January 2021		980,900
Reclassification		(63,254)
Additions	6	307,528
Disposals		(1,948)
At 31 December 2021		1,223,226
Provisions		
At 1 January 2021		173,755
Reclassification		(63,254)
Disposals		(1,948)
Impairment losses/(loss reversals)		(1,432)
At 31 December 2021		107,121
Net book amount		
At 31 December 2020		807,145
As at 31 December 2021		1,116,105

At year end a review of the carrying value of the investments in group undertakings was undertaken and the directors concluded the following:

Impairment losses

There were no impairments in the period recognised in profit or loss or the statement of comprehensive income.

Reversal of impairment losses

During the year, £1,432 of prior years' impairment losses were reversed as follows:

ETAS Limited

In 2020, a value-in-use assessment was made by the directors of ETAS Limited. The impact of the COVID-19 pandemic had an impact on the company's forecasts and net cash flow projections. Accordingly, the carrying value of the investment was reduced from £5,068 to £4,433 and an impairment of £635 was recognised in profit and loss.

In 2021, the Bosch Group expanded the ETAS operations. Consequently, a revised value-in-use analysis was conducted and the carrying value was determined to be in excess of original cost. Accordingly, the 2020 impairment of £635 was reversed through profit and loss and the investment carrying value restored to historical cost of £5,068.

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

13 Investments (continued)

BOXT Limited

On 15th December 2021, the company sold its holding of 5,974 shares (49.95% of total shares in issue) in BOXT Limited to UK Heating Limited for the consideration of £23,532. The company subsequently converted loans receivable from BOXT Limited in the amount of £16,435 into 2,599 new shares in BOXT Limited (20% of total new shares in issue).

The investment had been fully impaired in previous years following value-in-use assessments. During the year an impairment of £797 was reversed.

The company has the following direct investments in group undertakings:

	Country of incorporation	Registered office	Class of share held	Ownership	
				2021	2020
Bosch Automotive Service Solutions Limited	United Kingdom	c/o Robert Bosch Limited, Broadwater Park, North Orbital Road, Denham, Uxbridge UB9 5HJ, England, United Kingdom	£1 Ordinary	100%	100%
Bosch Rexroth Limited	United Kingdom	15 Cromwell Road, St Neots, Cambridgeshire PE19 2ES England, United Kingdom	£1 Ordinary	100%	100%
Bosch Service Solutions Limited	United Kingdom	PO Box 750, Uxbridge UB9 5HJ, England, United Kingdom	£1 Ordinary	100%	100%
BOXT Limited	United Kingdom	3375 Century Way, Thorpe Park, Leeds LS15 8ZB, West Yorkshire, England, United Kingdom	£1 Ordinary	20%	49.95%
ETAS Limited	United Kingdom	Bacchus House, Osbaldwick Link Road, Osbaldwick, York YO10 3JB, England, United Kingdom	0.001p ordinary 0.001p cumulative 'A' ordinary 0.001p cumulative 'C' ordinary	100%	100%
Protec Fire and Security Group Limited	United Kingdom	Protec House, Churchill Way, Nelson, Lancashire, BB9 6RT, England, United Kingdom	£0.01 Ordinary	100%	-
Robert Bosch Investment Limited	United Kingdom	Cotswold Way, Warndon, Worcester WR4 9SW, England, United Kingdom	£1 Ordinary	100%	100%
Robert Bosch Limited	United Kingdom	c/o Bosch Rexroth, Viewfield Industrial Estate, Glenrothes KY6 2RD, Scotland, United Kingdom	£1 Ordinary	100%	100%

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

13 Investments (continued)

The company has the following indirect investments in group undertakings:

	Country of incorporation	Registered office	Class of share held	Ownership	
				2021	2020
Bosch Automotive Training Limited (previously Lagta Limited)	United Kingdom	Lagta House, Woodside, Eurocentral, Motherwell ML1 4XL, Scotland, United Kingdom	£1 Ordinary	100%	100%
Bosch Thermotechnology Limited	United Kingdom	Cotswold Way, Warndon, Worcester WR4 9SW, England, United Kingdom	£1 Ordinary	100%	100%
Camerfield Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-
Face Macanda Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RY, England, United Kingdom	£1 Ordinary	100%	-
Firepro Systems Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RS, England	£1 Ordinary	100%	-
Gas Alarm Systems Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-
Hacousto Group B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR45 Ordinary	100%	-
Hacousto Holland B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR1 Ordinary	100%	-
Hacousto Protec B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR100 Ordinary	100%	-
Hacousto Group Videotechniek B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR1 Ordinary	100%	-
Hacousto Protec Projects B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR10 Ordinary	100%	-
Hacousto Security Systems B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR1 Ordinary	100%	-
Halin Communication Technologies B.V.	Netherlands	De Maas 7 5684 PL Best, The Netherlands	EUR1 Ordinary	100%	-
Lagta Group Training Limited	United Kingdom	Lagta House, Woodside, Eurocentral, Motherwell ML1 4XL, Scotland, United Kingdom	£1 Ordinary	100%	100%

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

13 Investments (continued)

	Country of incorporation	Registered office	Class of share held	Ownership	
				2021	2020
Lyntek Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-
Protec Brandbeveiliging B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR1 Ordinary	100%	-
Protec Camerfield Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England	£1 Ordinary	100%	-
Protec Fire Detection (Export) Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-
Protec Fire Detection PLC	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-
Protec Fire Detection Pty Ltd	Australia	Grant Thornton Australia Limited, Level 17, 383 Kent Street, Sydney, NSW 2000, Australia	AUD1 Ordinary	100%	-
Protec Netherlands B.V.	Netherlands	Industrieweg 87 2651 BC Berkel en Rodenrijs, The Netherlands	EUR1 Ordinary	80%	-
Worcester Group Limited	United Kingdom	Cotswold Way, Warndon, Worcester WR4 9SW, England, United Kingdom	10p Ordinary	100%	100%
XL Fire Detection Systems Limited	United Kingdom	Protec House, Churchill Way, Lomeshaye Ind Est, Nelson Lancs, BB9 6RT, England, United Kingdom	£1 Ordinary	100%	-

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

14 Trade and other receivables

	2021	2020
Trade receivables	1	11
Amounts owed by group undertakings	2,812	1,834
Corporation tax	166	249
Other debtors	-	403
Prepayments and accrued income	148	109
	3,127	2,606
Due within one year	3,127	2,606
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.

15 Deferred tax

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

	2021	2020
Deferred tax assets due within 12 months	-	-
Deferred tax liabilities due within 12 months	-	-
Total asset/(provision)	-	-
	2021	2020
Deferred tax assets due after 12 months	48	41
Deferred tax liabilities due after 12 months	(6,159)	(1,649)
Total provision	(6,111)	(1,608)
	2021	2020
Total provision	(6,111)	(1,608)

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

15 Deferred tax (continued)

Deferred tax assets	Property, plant and equipment	Provisions	Employee benefits	Total
At 1 January 2020	48	-	6	54
(Charged)/credited to the income statement	(10)	3	(6)	(13)
At 31 December 2020	38	3	-	41
(Charged)/credited to the income statement	6	1	-	7
At 31 December 2021	44	4	-	48

Deferred tax liabilities	Revaluations	Other temporary differences	Total
At 1 January 2020	-	-	-
Charged/(credited) to the income statement	1,640	9	1,649
At 31 December 2020	1,640	9	1,649
Charged/(credited) to the income statement	4,519	(9)	4,510
At 31 December 2021	6,159	-	6,159

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 £ thousands unless otherwise stated)

16 Creditors: amounts falling due within one year

	Notes	2021	2020
Trade creditors		525	515
Amounts owed to group undertakings		130,334	87,270
Corporation tax		-	-
Taxation and social security		213	1,946
Lease liabilities	11	92	511
Other creditors		374	2,279
Accruals and deferred income		4,755	2,802
		136,293	95,323

The amounts owed to group undertakings are unsecured and have a fixed date of repayment of May 2022. Overdraft interest is charged at 0.850%. Inter-company interest is charged at 1.892%.

17 Creditors: amounts falling due after more one year

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

	Notes	2021	2020
Lease liabilities	11	1,046	102
Accruals and deferred income	6, 13	24,954	-
		26,000	102

Amounts falling due after more than five years:

	Notes	2021	2020
Lease liabilities	11	2,996	-
		2,996	-
		2021	2020
Total amounts falling due after more than one year		28,996	102

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

18 Provisions for liabilities

	Deferred tax	Total
At 1 January 2021	1,608	1,608
Additions to the income statement	4,503	4,503
At 31 December 2021	6,111	6,111

19 Share capital

Share capital

Ordinary shares of £1 each

	2021 No. (000's)	2020 No. (000's)
Allotted and fully paid up		
On issue at 1 January	163,000	163,000
On issue at 31 December – fully paid	163,000	163,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Dividends

No dividends were recognised during the year (2020: nil). In the financial statements to 31 December 2020, a dividend of £102,500 was proposed by the directors to be paid in 2021. Subsequently, in order to partially fund the Protec acquisition (see notes 6 & 13), the proposed dividend was cancelled in an extraordinary general meeting during 2021.

20 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 2021 amounted to £102,983 (2020: £257,793).

Notes to the financial statements (continued)

(All amounts in £ thousands unless otherwise stated)

21 Capital and other commitments

Capital commitments

There are no capital commitments outstanding at the end of the financial year (2020: nil).

Other commitments

At 31 December 2021, the company had the following future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
Other:		
Not later than one year	30	9
Later than one year and not later than five years	13	8
	43	17

During the year £13 was recognised as an expense in the profit and loss account in respect of operating leases (2020: £9).

22 Related party transactions

Under FRS 101.8 j) and k) the company is exempt from Related Party Disclosures as required in paragraph 17 of IAS 24 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 7.

23 Controlling parties

The immediate parent undertaking is Robert Bosch Internationale Betelligungen AG.

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.

24 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.