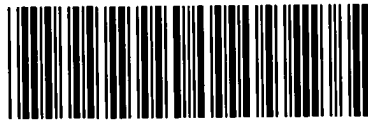


Registered number: 04456263

AUTOFUTURA LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

WEDNESDAY



AB859E1C

A21

13/07/2022

#3

COMPANIES HOUSE

AUTOFUTURA LIMITED

COMPANY INFORMATION

Directors	D L Riemenschneider M Titley T O Smith (appointed 27 April 2022) S J Upton (appointed 27 April 2022)
Registered number	04456263
Registered office	Corbin Business Park Caring Lane Bearsted Maidstone Kent ME14 4NJ
Independent auditor	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor 4th Floor Cumberland House 15-17 Cumberland Place Southampton Hampshire SO15 2BG

AUTOFUTURA LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Directors' Responsibilities Statement	5
Independent Auditor's Report	6 - 9
Statement of Comprehensive Income	10
Balance Sheet	11 - 12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 - 29

AUTOFUTURA LIMITED

STRATEGIC REPORT FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

Introduction

The directors present their Strategic Report for the 17-month period ended 31 October 2021.

Business review

The underlying fundamentals in the automotive market remain positive for the Company and the wider ATG Group as our customers continue to develop their omnichannel vehicle sales strategies. This is driving high demand for our market leading SaaS retention products and their associated data solutions which has helped the business achieve growth in revenue. The automotive market continues to face some headwinds, triggered by the global pandemic, including supply chain challenges which are keeping stock levels suppressed. We remain sensitive to the fact that this is impacting our customers and will continue to support them in navigating through these changing times.

The Company has a strong ethos of being product led. We believe it is important to continue to invest in Research and Development to ensure that our products remain aligned to our customers' needs, reflect the changing consumer buying behaviours and continue to provide a superior solution to that of our competitors.

An environmental, social and governance (ESG) framework underpins all activities across the group. At the core of this framework is strong governance and robust risk, compliance, and accounting strategies. We invest significantly in our people and their working environments by creating and maintaining a safe and healthy working environment and ensuring their ongoing professional and personal development. Furthermore, the groups relationship with stakeholders is key, with areas of focus on the community, health, education and the environment. Monthly updates to the board of directors demonstrate continual improvement and investment in these areas.

AUTOFUTURA LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the Company are as follows:

Economic risk

The increasing financial pressures on the consumer raise the risk of a downturn in the economy and the motor industry in particular. This has potential to have an adverse impact on the Company's customers and therefore on the Company itself.

These risks are managed by careful review of the market in which the Company operates and the management of relationships and contracts with customers. Here the extensive staff resources of the Company and wider group play an important role.

Competition and IP risks

These are managed at director level by close customer liaison, benchmarking and the use of skilled staff including a dedicated legal team.

Financial risk

The Company continues to develop its robust management information, financial reporting and forecasting processes, the outputs of which are reviewed by the directors on a regular basis to facilitate a clear understanding of performance and to enable good and timely business decisions to be made. The Company has implemented a new and future-proof financial system and has robust risk management procedures to manage key areas of risk including credit risk, overall liquidity and other financial risks.

Cyber Risk

Information, Cyber security and Data Protection are core principles for the Company which allow us to build trust with our customers. Underpinned by ISO 27001 certification, the Company has teams dedicated to supporting and improving the Company's technical and organisational measures and processes, demonstrating a commitment to a safe and secure digital future.

Financial key performance indicators

	2021	2020
Recurring Revenue %	98.9%	96.9%
Gross profit margin	96.5%	97.6%
Operating profit margin	30.8%	41.9%

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



Mitch Titley (May 31, 2022 17:11 GMT+1)

M Titley
Director

Date: 31/05/2022

AUTOFUTURA LIMITED

DIRECTORS' REPORT FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

The directors present their report and the financial statements for the 17-month period ended 31 October 2021.

Principal activity

The principal activity of the Company continued to be that of the provision of software and data services to the automotive industry.

Results and dividends

The profit for the 17-month period ended 31 October 2021, after taxation, amounted to £2,116,081 (*year ended 31 March 2020 - £2,255,607*).

No dividends were paid or proposed during the 17-month period ended 31 October 2021 (*year ended 31 May 2020 - £Nil*).

Directors

The directors who served during the 17-month period were:

C C Erlandson (resigned 23 February 2022)
D L Riemenschneider
M Titley

Future developments

The directors intend to continue with the current principal activity and will continue to invest substantially in research and development in its software portfolio. It is also the intention of the business to invest in expansion of the business into both UK and overseas markets.

Disclosure of information to auditor

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

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

Post balance sheet events

There have been no significant events affecting the Company since the period end.

Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

AUTOFUTURA LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

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



Mitch Titley (May 31, 2022 17:11 GMT+1)

M Titley
Director

Date: 31/05/2022

AUTOFUTURA LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

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

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOFUTURA LIMITED

Opinion

We have audited the financial statements of Autofutura Limited (the 'Company') for the 17-month period ended 31 October 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

AUTOFUTURA LIMITED

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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.

AUTOFUTURA LIMITED

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained a general understanding of the Company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Company's industry and regulation.

We understand that the Company complies with the framework through:

- Outsourcing payroll, accounts preparation and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:

- Manipulation of the financial statements, especially revenue, via fraudulent journal entries particularly focussing on revenue recognition around the year end.
- Estimates made by management regarding the useful economic life of capitalised software development costs and the associated judgement involved in the values capitalised as well as the viability and long term recoverability of the carrying value of these assets.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Challenging management regarding the assumptions used in the estimates and judgements identified above and comparison to historical data and post-year-end data as appropriate;
- Substantive testing around whether revenue was recorded in the correct period;
- Substantive work on material areas affecting profits; and
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and journals outside the normal scope of the client business as well as journal entries affecting the recognition of revenue around the year end.

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

AUTOFUTURA LIMITED

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

Use of our report

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

Nexia Smith & Williamson

Nexia Smith & Williamson, (May 31, 2022 20:57 GMT+1)

Andrew Edmonds (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants

Statutory Auditor

4th Floor Cumberland House

15-17 Cumberland Place

Southampton

Hampshire

SO15 2BG

Date: 31/05/2022

AUTOFUTURA LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

	Note	17-month period ended 31 October 2021 £	Year ended 31 May 2020 £
Turnover	4	8,334,369	6,034,268
Cost of sales		(293,310)	(143,696)
Gross profit		8,041,059	5,890,572
Administrative expenses including exceptional expenses*		(5,876,074)	(3,457,451)
Other operating income	6	402,069	97,325
Operating profit	7	2,567,054	2,530,446
Interest receivable and similar income	11	216,251	77,792
Interest payable and similar expenses	12	(133,521)	(31,197)
Profit before tax		2,649,784	2,577,041
Tax on profit	13	(533,703)	(321,434)
Profit for the 17-month period/year		2,116,081	2,255,607

*Included within administrative expenses are exceptional expenses of £333,098.

There was no other comprehensive income for 17-month period ended 31 October 2021 (year ended 31 March 2020 - £Nil).

The notes on pages 14 to 29 form part of these financial statements.

AUTOFUTURA LIMITED
REGISTERED NUMBER:04456263

BALANCE SHEET
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	2,140,601	1,516,142
Tangible assets	15	171,755	147,170
Investments	16	22,250	22,250
		<u>2,334,606</u>	<u>1,685,562</u>
Current assets			
Debtors: amounts falling due after more than one year	17	6,697,405	1,671,353
Debtors: amounts falling due within one year	17	2,144,231	1,917,959
Cash at bank and in hand		352,896	5,023,001
		<u>9,194,532</u>	<u>8,612,313</u>
Creditors: amounts falling due within one year	18	(1,975,588)	(1,909,071)
Net current assets		<u>7,218,944</u>	<u>6,703,242</u>
Total assets less current liabilities		<u>9,553,550</u>	<u>8,388,804</u>
Creditors: amounts falling due after more than one year	19	(1,203,066)	(2,417,333)
Provisions for liabilities			
Deferred tax	20	(572,140)	(309,208)
Net assets		<u>7,778,344</u>	<u>5,662,263</u>
Capital and reserves			
Called up share capital	21	5,000	5,000
Profit and loss account	22	7,773,344	5,657,263
Shareholders' funds		<u>7,778,344</u>	<u>5,662,263</u>

AUTOFUTURA LIMITED
REGISTERED NUMBER:04456263

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2021

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



Mitch Titley (May 31, 2022 17:11 GMT+1)

M Titley
Director

Date: 31/05/2022

The notes on pages 14 to 29 form part of these financial statements.

AUTOFUTURA LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 June 2019 (as previously stated)	5,000	2,748,846	2,753,846
Prior year adjustment	-	652,810	652,810
	<u>5,000</u>	<u>3,401,656</u>	<u>3,406,656</u>
At 1 June 2019 (as restated)			
Comprehensive income for the year			
Profit for the year	-	2,255,607	2,255,607
	<u>5,000</u>	<u>5,657,263</u>	<u>5,662,263</u>
At 1 June 2020			
Comprehensive income for the 17-month period			
Profit for the 17-month period	-	2,116,081	2,116,081
	<u>5,000</u>	<u>7,773,344</u>	<u>7,778,344</u>
At 31 October 2021			

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

1. General information

Autofutura Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 04456263). The registered office address is Corbin Business Park, Caring Lane, Bearsted, Maidstone, Kent, ME14 4NJ.

The Company's accounting period was extended from 31 May 2021 to 31 October 2021 therefore the prior period is not comparable.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ATG Global Limited as at 31 May 2022 and these financial statements may be obtained from Companies House.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of its ultimate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.4 Going concern

The directors have made an assessment in preparing these financial statements, as to whether the Company is a going concern. The directors have carefully reviewed the future prospects of the Company and the Group the Company is part of. This review has shown the Company has sufficient cash resources available to ensure it can meet its financial obligations as they fall due for the foreseeable future, this being the period covering at least 12 months from the date of approval of these financial statements. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.6 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised on a straight-line basis in the period in which the services are provided and when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract; and
- the stage of completion of the contract at the end of the reporting period can be measured reliably.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives of 5 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

2. Accounting policies (continued)

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Exceptional items

Exceptional costs are those costs, that are one off in nature, that are associated with the restructuring of the business through acquisition and include acquisition related costs.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website and brand	-	3 years
Development expenditure	-	5 years

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Depreciation is provided on the following basis:

Land and buildings	-	20% straight-line
Fixtures and equipment	-	20% straight-line
Computer equipment	-	33% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Impairment of fixed assets

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

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the period that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.17 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

2. Accounting policies (continued)

2.18 Current and deferred taxation

The tax expense for the 17-month period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

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

The directors consider that the following judgements and key sources of estimation uncertainty have had the most significant effect on amounts recognised in the financial statements:

Development expenditure

Development expenditure is capitalised in accordance with the accounting policy given above. The initial capitalisation of such costs is based on management's judgement as to the technical and economic feasibility of project completion and assumptions regarding expected future cash generation, expected period of benefit and discount rates applied.

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

4. Turnover

The whole of the turnover is attributable to the Company's principal activity.

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	6,474,081	5,078,151
Rest of Europe	1,741,538	940,617
Rest of the world	118,750	15,500
	<u>8,334,369</u>	<u>6,034,268</u>

5. Exceptional administrative items

	2021 £	2020 £
Restructuring costs	<u>333,098</u>	<u>-</u>

6. Other operating income

	2021 £	2020 £
Government grants receivable	68,725	97,325
RDEC	333,344	-
	<u>402,069</u>	<u>97,325</u>

7. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	53,367	48,419
Operating lease rentals	<u>71,908</u>	<u>72,627</u>

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

8. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements and those of other group companies	<u>60,400</u>	<u>30,108</u>

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

The above includes fees payable to the Company's auditor incurred on behalf of other group companies. Full details of auditor's remuneration is disclosed in the consolidated accounts of ATG Global Limited.

9. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	2,912,651	1,306,926
Social security costs	452,619	261,815
Cost of defined contribution scheme	90,175	42,871
	<u>3,455,445</u>	<u>1,611,612</u>

The average monthly number of employees, including the directors, during the 17-month period was as follows:

	2021 No.	2020 No.
	<u>54</u>	<u>50</u>

10. Directors' remuneration

The directors are remunerated through another group company, Pavilion Bidco Limited.

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

11. Interest receivable

	2021 £	2020 £
Interest receivable from group undertakings	215,632	76,662
Other interest receivable	619	1,130
	<u>216,251</u>	<u>77,792</u>

12. Interest payable and similar expenses

	2021 £	2020 £
Interest payable to group undertakings	133,521	31,196
Other interest payable	-	1
	<u>133,521</u>	<u>31,197</u>

13. Taxation

	2021 £	2020 £
Corporation tax		
Adjustments in respect of previous periods	<u>270,771</u>	<u>30,123</u>
Deferred tax		
Origination and reversal of timing differences	165,287	165,171
Adjustments in respect of prior periods	-	110,978
Effect of tax rate change on opening balance	97,645	15,162
Total deferred tax	<u>262,932</u>	<u>291,311</u>
Taxation on profit on ordinary activities	<u>533,703</u>	<u>321,434</u>

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

13. Taxation (continued)

Factors affecting tax charge for the 17-month period/year

The tax assessed for the 17-month period/year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>2,312,376</u>	<u>2,577,041</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	439,351	489,638
Effects of:		
Fixed asset differences	(7)	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	13,973	2,406
R&D expenditure credits	54,852	(259,380)
Group relief claimed	(382,552)	(67,795)
Adjustments to tax charge in respect of prior periods	270,771	30,123
Remeasurement of deferred tax for changes in tax rates	137,313	110,978
Adjust opening deferred tax to average rate of 19%	-	15,152
Other differences leading to an increase in the tax charge	2	312
Total tax charge for the 17-month period/year	<u><u>533,703</u></u>	<u><u>321,434</u></u>

Factors that may affect future tax charges

Finance Act 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. The full anticipated effect of these changes is reflected in the above deferred tax balances.

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

14. Intangible assets

	Website £	Development expenditure £	Total £
Cost			
At 1 June 2020	26,250	1,761,685	1,787,935
Additions	104,740	1,123,033	1,227,773
At 31 October 2021	<u>130,990</u>	<u>2,884,718</u>	<u>3,015,708</u>
Amortisation			
At 1 June 2020	-	271,793	271,793
Charge for the 17-month period	30,028	573,286	603,314
At 31 October 2021	<u>30,028</u>	<u>845,079</u>	<u>875,107</u>
Net book value			
At 31 October 2021	<u>100,962</u>	<u>2,039,639</u>	<u>2,140,601</u>
At 31 May 2020	<u>26,250</u>	<u>1,489,892</u>	<u>1,516,142</u>

The carrying amounts of individually material development projects, all of which are amortised over a 5 years useful economic life from the date of capitalisation, are:

	At 31 October 2021 £	At 31 May 2020 £
P360	1,063,504	775,125
C360	504,686	305,382
Fleet	461,635	398,494
	<u>2,029,825</u>	<u>1,479,001</u>

AUTOFUTURA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021

15. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 June 2020	47,357	33,347	182,154	262,858
Additions	-	2,730	145,788	148,518
At 31 October 2021	<u>47,357</u>	<u>36,077</u>	<u>327,942</u>	<u>411,376</u>
Depreciation				
At 1 June 2020	16,516	11,377	87,795	115,688
Charge for the 17-month period	13,418	9,968	100,547	123,933
At 31 October 2021	<u>29,934</u>	<u>21,345</u>	<u>188,342</u>	<u>239,621</u>
Net book value				
At 31 October 2021	<u>17,423</u>	<u>14,732</u>	<u>139,600</u>	<u>171,755</u>
At 31 May 2020	<u>30,841</u>	<u>21,970</u>	<u>94,359</u>	<u>147,170</u>

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

16. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 June 2020	22,250
At 31 October 2021	22,250

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Autofutura GmbH	Trogerstraße 23, 81675 München, Germany.	Ordinary	100%

17. Debtors

	2021 £	2020 £
Due after more than one year		
Amounts owed by group undertakings	6,697,405	1,671,353
Due within one year		
Trade debtors	1,574,047	1,833,976
Amounts owed by group undertakings	109,430	-
Other debtors	32,200	3,571
Prepayments and accrued income	102,538	80,412
Corporation tax recoverable	326,016	-
	2,144,231	1,917,959

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

18. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	177,390	137,390
Other taxation and social security	197,643	330,282
Other creditors	12,590	9,991
Accruals and deferred income	1,587,965	1,431,408
	<u>1,975,588</u>	<u>1,909,071</u>

19. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to group undertakings	<u>1,203,066</u>	<u>2,417,333</u>

20. Deferred taxation

	2021 £	2020 £
At beginning of period/year	309,208	17,897
Charged to profit or loss	262,932	291,311
At end of period/year	<u>572,140</u>	<u>309,208</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	573,468	309,968
Short-term timing differences	(1,328)	(760)
	<u>572,140</u>	<u>309,208</u>

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

21. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
4,100 Ordinary shares of £1.00 each	4,100	4,100
550 Ordinary A shares of £1.00 each	550	550
100 Ordinary C shares of £1.00 each	100	100
250 Ordinary D shares of £1.00 each	250	250
	<u>5,000</u>	<u>5,000</u>

All shares are rank pari passu in all respects except in relation to payment of dividends which may be unequal.

22. Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

23. Contingent liabilities

There is a fixed and floating charge over the assets of the Company in respect of loan notes and other loans held by fellow group companies. At the year end, the balance of the loan notes and other loans were £74,811,233 and £27,500,000 respectively. Both are due for repayment in 2026.

24. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £92,988 (2020 - £42,871). Contributions totalling £12,590 (2020 - £9,811) were payable to the fund at the balance sheet date and are included in creditors.

25. Commitments under operating leases

At 31 October 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	-	61,833

AUTOFUTURA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17-MONTH PERIOD ENDED 31 OCTOBER 2021**

26. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

Key management personnel comprise the directors who are remunerated through a different group company.

27. Controlling party

The Company's immediate parent undertaking is Autofutura Holdings Limited, a company registered in England and Wales.

The ultimate parent undertaking is ATG Global Limited, a company registered in England and Wales.

The largest and smallest group of undertakings for which group accounts for the year ending 31 May 2021 have been drawn up, is that headed by ATG Global Limited. The registered office address of ATG Global Limited is Corbin Business Park, Caring Lane, Bearsted, Maidstone, Kent, ME14 4NJ. Copies of the group accounts are available from Companies House.

Funds advised by Inflexion Private Equity Partners LLP are the majority shareholders and the ultimate controlling party of ATG Global Limited, the ultimate parent undertaking. The registered address of Inflexion Equity Partners LLP is 47 Queen Anne Street, London, W1G 9JG, United Kingdom.