

Company Registration Number 02272344

ADDITIVE-X LIMITED  
FINANCIAL STATEMENTS  
30 NOVEMBER 2021

**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers



**ADDITIVE-X LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	J Young J Blackburn L Whitehouse P Whitehouse
<b>Company secretary</b>	R Heath-Smith
<b>Registered number</b>	02272344
<b>Registered office</b>	College Business Park Kearsley Road Ripon North Yorkshire HG4 2RN
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditor York House Thornfield Business Park Northallerton DL6 2XQ

## **ADDITIVE-X LIMITED**

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## **ADDITIVE-X LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **Introduction**

The directors present the strategic report and business review, which includes the principal risks and uncertainties of the business and key performance indicators for the period ended 30 November 2021.

#### **Business review**

Turnover decreased during 2021 with a significant reduction in spare parts distribution activity due to the combined impact of Brexit and Covid. Like the UK in 2020, the French branch was unable to recover its parts distribution business as demand fell from the impact of Covid and redundancies were unavoidable. European operations are now limited to a fulfilment centre based in the company's branch in France and spare parts distribution by the small subsidiary in Belgium. The directors have focused Additive-X Ltd strategy on the 3D printing/additive manufacturing business in the UK, with ongoing investments in new technology.

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

The Management team regularly consider risks in order to mitigate their impact on the business. A combination of hybrid working and a spacious, healthy working environment at our HQ have minimised the impact of staff absence caused by Covid. The team have also adapted well to online meetings, demonstrations and events. As expected, Brexit has increased costs and continues to add to the global challenges impacting on Additive-X's supply-chain and logistics. The Group continues to take appropriate action to minimise exposure to fluctuations in GBP exchange rates.

#### **Financial key performance indicators**

Gross margin % was 21.7% in 2020 and only dropped slightly to 21.3% despite an increase in cost of sales due to Brexit. Turnover was £8,143,562 in this financial year, decreased from the previous year (£10,203,243 based on 12 months pro-rata) for the reasons outlined above. Net profit dropped in FY21 due to the impact of restructuring and losses in the French branch.

#### **Future Outlook**

Additive-X Ltd is well positioned for future growth through the significant additive manufacturing market opportunities available. It is our aim to grow as a leading UK supplier of additive manufacturing technology solutions with added parts distribution, fulfilment and repair services. We continue to increase the scope of additive manufacturing products and services we offer and the materials in our range so that we can help customers find further applications for the technology.

#### **Employees**

The company remains committed to creating a high-performance culture with strong company values and aims to attract, develop and retain high-calibre employees. The company's attitude towards the employment of disabled persons and ethnic minorities is the same as that relating to all other staff.

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



J Young  
Director

Date: 07/07/2022

## **ADDITIVE-X LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021**

The directors present their report and the financial statements for the year ended 30 November 2021.

#### **Principal activity**

The principal activity of the group is the sale of 3D printing products and services, and the distribution of printing and computing spare parts and related services within the UK, France and Belgium.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £157,194 (2020 - profit £74,925).

Ordinary dividends of £25,391 based on the pre-tax profit at 30 November 2020. The directors do not recommend payment of a dividend for the year to 30 November 2021.

#### **Directors**

The directors who served during the year were:

J Young  
J Blackburn  
L Whitehouse  
P Whitehouse

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

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 and the Group's auditors are 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 and the Group's auditors are aware of that information.

#### **Auditors**

The auditors, Armstong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



**J Young**  
Director

Date: 07/07/2022

## **ADDITIVE-X LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2021**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **ADDITIVE-X LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDITIVE-X LIMITED**

#### **Opinion**

We have audited the financial statements of Additive-X Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 November 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 November 2021 and of the Group's loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

#### **Other information**

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

We have nothing to report in this regard.

## **ADDITIVE-X LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDITIVE-X LIMITED (CONTINUED)**

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

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

- the information given in the Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Group Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.



## ADDITIVE-X LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDITIVE-X LIMITED (CONTINUED)

#### Auditors' 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 Auditors' 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 Group financial statements.

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

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and occupational health and employment legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition and management override of controls.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors and third-party advisors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

**ADDITIVE-X LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDITIVE-X LIMITED (CONTINUED)**

A handwritten signature in black ink, appearing to read 'S Turner', is written over a horizontal line.

Simon Turner (Senior Statutory Auditor)

for and on behalf of  
**Armstrong Watson Audit Limited**

Chartered Accountants & Statutory Auditor

Northallerton

Date: 07 July 2022

**ADDITIVE-X LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	<b>Year ended 30 November 2021</b>	<b>18 month period ended 30 November 2020</b>
<b>Note</b>	<b>£</b>	<b>£</b>
Turnover	8,143,562	15,304,864
Cost of sales	(6,411,599)	(11,983,564)
<b>Gross profit</b>	<b>1,731,963</b>	<b>3,321,300</b>
Administrative expenses	(1,873,756)	(3,326,788)
Other operating income	-	132,445
<b>Operating (loss)/profit</b>	<b>(141,793)</b>	<b>126,957</b>
Gain/ (Loss) on disposal of subsidiary undertakings	(33,761)	(14,264)
<b>(Loss)/profit before taxation</b>	<b>(175,554)</b>	<b>112,693</b>
Tax on (loss)/profit	18,360	(37,768)
<b>(Loss)/profit for the financial year</b>	<b>(157,194)</b>	<b>74,925</b>
<b>Other comprehensive income</b>		
Current translation differences	-	(13,070)
<b>Total comprehensive income for the year</b>	<b>(157,194)</b>	<b>61,855</b>
<b>(Loss)/profit for the year attributable to:</b>		
Owners of the parent Company	(157,194)	74,925
	<b>(157,194)</b>	<b>74,925</b>
<b>Total comprehensive income for the year attributable to:</b>		
Owners of the parent Company	(157,194)	61,855
	<b>(157,194)</b>	<b>61,855</b>

The notes on pages 16 to 30 form part of these financial statements.

**ADDITIVE-X LIMITED**

**CONSOLIDATED BALANCE SHEET  
AS AT 30 NOVEMBER 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	9		1,285,385		1,331,748
			<u>1,285,385</u>		<u>1,331,748</u>
<b>Current assets</b>					
Stocks	11	614,547		758,973	
Debtors: amounts falling due within one year	12	1,764,223		1,672,339	
Cash at bank and in hand	13	682,338		1,626,841	
		<u>3,061,108</u>		<u>4,058,153</u>	
Creditors: amounts falling due within one year		(838,169)		(1,693,216)	
<b>Net current assets</b>			<u>2,222,939</u>		<u>2,364,937</u>
<b>Total assets less current liabilities</b>			<u>3,508,324</u>		<u>3,696,685</u>
<b>Provisions for liabilities</b>					
Deferred taxation	15	(90,193)		(95,969)	
			<u>(90,193)</u>		<u>(95,969)</u>
<b>Net assets</b>			<u>3,418,131</u>		<u>3,600,716</u>
<b>Capital and reserves</b>					
Called up share capital	16		4		4
Share premium account			1,668		1,668
Profit and loss account			3,416,459		3,599,044
<b>Equity attributable to owners of the parent Company</b>			<u>3,418,131</u>		<u>3,600,716</u>
			<u>3,418,131</u>		<u>3,600,716</u>

**ADDITIVE-X LIMITED**  
**REGISTERED NUMBER: 02272344**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 30 NOVEMBER 2021**

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

*J Young*

07/07/2022

**J Young**  
Director

The notes on pages 16 to 30 form part of these financial statements.

**ADDITIVE-X LIMITED**  
**REGISTERED NUMBER: 02272344**

**COMPANY BALANCE SHEET**  
**AS AT 30 NOVEMBER 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	9		1,284,776		1,331,425
Investments	10		12,418		14,479
			<u>1,297,194</u>		<u>1,345,904</u>
<b>Current assets</b>					
Stocks	11	603,240		715,966	
Debtors: amounts falling due within one year	12	2,016,697		1,560,613	
Cash at bank and in hand	13	675,062		1,569,866	
		<u>3,294,999</u>		<u>3,846,445</u>	
Creditors: amounts falling due within one year		<u>(1,071,920)</u>		<u>(1,478,072)</u>	
<b>Net current assets</b>			<u>2,223,079</u>		<u>2,368,373</u>
<b>Total assets less current liabilities</b>			<u>3,520,273</u>		<u>3,714,277</u>
<b>Provisions for liabilities</b>					
Deferred taxation	15	(90,193)		(95,969)	
			<u>(90,193)</u>		<u>(95,969)</u>
<b>Net assets</b>			<u>3,430,080</u>		<u>3,618,308</u>
<b>Capital and reserves</b>					
Called up share capital	16		4		4
Profit and loss account brought forward		3,618,304		3,624,561	
Loss for the year		(162,837)		(6,257)	
Dividends paid		(25,391)		-	
		<u></u>		<u></u>	
Profit and loss account carried forward			<u>3,430,076</u>		<u>3,618,304</u>
			<u>3,430,080</u>		<u>3,618,308</u>

**ADDITIVE-X LIMITED**  
**REGISTERED NUMBER: 02272344**

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 30 NOVEMBER 2021**

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

*J Young*

07/07/2022

**J Young**  
Director

The notes on pages 16 to 30 form part of these financial statements.

**ADDITIVE-X LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 December 2019</b>	<b>4</b>	<b>1,668</b>	<b>3,537,189</b>	<b>3,538,861</b>
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	74,925	74,925
Currency translation differences	-	-	(13,070)	(13,070)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>61,855</b>	<b>61,855</b>
<b>At 1 December 2020</b>	<b>4</b>	<b>1,668</b>	<b>3,599,044</b>	<b>3,600,716</b>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(157,194)	(157,194)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(157,194)</b>	<b>(157,194)</b>
Dividends: Equity capital	-	-	(25,391)	(25,391)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(25,391)</b>	<b>(25,391)</b>
<b>At 30 November 2021</b>	<b>4</b>	<b>1,668</b>	<b>3,416,459</b>	<b>3,418,131</b>

The notes on pages 16 to 30 form part of these financial statements.



**ADDITIVE-X LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 December 2019</b>	<b>4</b>	<b>3,624,561</b>	<b>3,624,565</b>
<b>Comprehensive income for the period</b>			
Loss for the period	-	(6,257)	(6,257)
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(6,257)</b>	<b>(6,257)</b>
	<hr/>	<hr/>	<hr/>
<b>At 1 December 2020</b>	<b>4</b>	<b>3,618,304</b>	<b>3,618,308</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(162,837)	(162,837)
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(162,837)</b>	<b>(162,837)</b>
	<hr/>	<hr/>	<hr/>
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(25,391)	(25,391)
	<hr/>	<hr/>	<hr/>
<b>Total transactions with owners</b>	<b>-</b>	<b>(25,391)</b>	<b>(25,391)</b>
	<hr/>	<hr/>	<hr/>
<b>At 30 November 2021</b>	<b>4</b>	<b>3,430,076</b>	<b>3,430,080</b>
	<hr/>	<hr/>	<hr/>

The notes on pages 16 to 30 form part of these financial statements.

**ADDITIVE-X LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(157,194)	74,925
<b>Adjustments for:</b>		
Depreciation of tangible assets	161,155	231,512
Taxation charge	(18,360)	37,768
Decrease in stocks	144,426	257,701
(Increase) in debtors	(91,884)	(171,763)
(Decrease)/increase in creditors	(842,463)	361,240
Gain on disposal of tangible fixed assets	-	(19,735)
Foreign exchange gain on cash equivalents	-	(12,258)
Income taxes (paid) /refunded	-	(797)
<b>Net cash generated from operating activities</b>	<b>(804,320)</b>	<b>758,593</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(114,792)	(330,566)
Proceeds on disposal of tangible fixed assets	-	41,605
<b>Net cash from investing activities</b>	<b>(114,792)</b>	<b>(288,961)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(25,391)	-
<b>Net cash used in financing activities</b>	<b>(25,391)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(944,503)</b>	<b>469,632</b>
Cash and cash equivalents at beginning of year	1,626,841	1,157,209
<b>Cash and cash equivalents at the end of year</b>	<b>682,338</b>	<b>1,626,841</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	682,338	1,626,841
	<b>682,338</b>	<b>1,626,841</b>

## **ADDITIVE-X LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **1. Accounting policies**

##### **Company Information**

Additive – X Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is College Business Park, Kearsley Road, Ripon, North Yorkshire, HG4 2RN.

The group consist of Additive – X Limited and all of its subsidiaries.

##### **1.1 Accounting Convention**

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

The financial statements have been prepared under the historical cost convention, modified o include certain financial instrument at fair value. The principal accounting policies adopted are set out below.

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

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cot of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill.

The consolidated financial statements incorporate those Additive – X Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so to obtain economic benefits). Their results are incorporated from the date that control passes.

All the financial statements are made up to 30 November 2021 except for Express Group BVBA whose financial year ended on 31 October 2021. The directors are unable to change the year ends to align as local regulations do not permit. Where necessary , adjustments are made to the financial statements subsidiaries to bring the accounting policies used into line with those used by other member of the group.

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

No separate profit and loss account has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

##### **1.3 Going concern**

At the time of approving the financial statements, the director has a reasonable expectation that the group has adopt adequate resources to continue in operational existences for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

## **ADDITIVE-X LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **1. Accounting policies (continued)**

##### **1.4 Turnover**

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

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

##### **1.5 Government grants**

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

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

##### **1.6 Pensions**

###### **Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Group in independently administered funds.

## ADDITIVE-X LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

#### 1. Accounting policies (continued)

##### 1.7 Current and deferred taxation

The tax expense for the year 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 and the Group operate and generate 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.

##### 1.8 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Land and buildings leasehold	- Straight Line over the life of the lease
Plant and machinery	- 25% reducing balance
Fixtures, fittings & equipments	- 25% reducing balance

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.

## **ADDITIVE-X LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **1. Accounting policies (continued)**

##### **1.9 Fixed assets investments**

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

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

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **1.10 Impairment of fixed assets**

At each reporting period date, the group 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).

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

##### **1.11 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Reversal of impairment losses are also recognised in profit or loss.

##### **1.12 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### **1.13 Financial instruments**

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to

## **ADDITIVE-X LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **1. Accounting policies (continued)**

##### **1.13 Financial instruments (continued)**

the contractual provisions of the instruments.

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

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

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

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

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

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

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

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

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

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

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

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

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

## **ADDITIVE-X LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021**

#### **1. Accounting policies (continued)**

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

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

##### **1.14 Equity instruments**

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

##### **1.15 Employee benefits**

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

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

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

##### **1.16 Leases**

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

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

##### **1.17 Foreign exchange**

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



# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 2. Turnover

Analysis of turnover by location

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
United Kingdom	7,450,819	10,238,954
Europe	608,318	4,882,252
Rest of the World	84,425	183,658
	<u>8,143,562</u>	<u>15,304,864</u>

### 3. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
Exchange Losses	40,899	50,702
Government grants	-	84,089
Depreciation of owned tangible fixed assets	161,154	231,512
Profit on disposal of tangible fixed assets	-	(19,735)
Other operating lease charges	45,386	126,128
	<u>247,539</u>	<u>362,696</u>

# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 4. Auditors' remuneration

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	21,000	21,975
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Taxation compliance services	2,200	2,950
Other services relating to taxation	1,500	-
	3,700	2,950

### 5. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Sales	17	17	16	15
Production	7	8	7	8
Administration	10	19	10	19
	34	44	33	42
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	981,648	1,862,035	923,609	1,680,452
Social security costs	75,261	171,283	75,261	171,283
Pension costs	60,903	43,563	60,442	42,926
	1,117,812	2,076,881	1,059,312	1,894,661

**ADDITIVE-X LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**6. Directors' remuneration**

	<b>Year ended 30 November 2021 £</b>	<b>18 month period ended 30 November 2020 £</b>
Directors' emoluments	<b>185,678</b>	347,233
Company contributions to defined contribution pension schemes	<b>2,636</b>	5,436
	<b><u>188,314</u></b>	<b><u>352,669</u></b>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

**7. Gain/(Loss) on disposal of subsidiary undertakings**

	<b>Year ended 30 November 2021 £</b>	<b>18 month period ended 30 November 2020 £</b>
Gain/ (Loss) on disposal in subsidiary	<b>103,533</b>	(14,264)
	<b><u>103,533</u></b>	<b><u>(14,264)</u></b>

During the year the company disposed of its subsidiary undertaking in Croatia. An accounting gain arose on this transaction.

# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 8. Taxation

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	37,768
Adjustments in respect of previous periods	(12,584)	-
	<u>(12,584)</u>	<u>37,768</u>
<b>Total current tax</b>	<u>(12,584)</u>	<u>37,768</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(5,776)	-
<b>Total deferred tax</b>	<u>(5,776)</u>	<u>-</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(18,360)</u>	<u>37,768</u>

#### Factors affecting tax charge for the year

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

	Year ended 30 November 2021 £	18 month period ended 30 November 2020 £
(Loss)/profit on ordinary activities before tax	(175,554)	112,693
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(33,355)	21,412
<b>Effects of:</b>		
Tax effect of expenses that are not deductible in determining taxable profit	7,303	16,209
Other permanent differences	2,700	15,572
Overseas (profit/losses)	4,992	(15,425)
<b>Total tax charge for the year</b>	<u>(18,360)</u>	<u>37,768</u>

# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 9. Tangible fixed assets

#### Group

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 December 2020	1,246,739	81,913	1,474,457	2,803,109
Additions	-	-	114,792	114,792
Disposals	-	(6,484)	-	(6,484)
At 30 November 2021	1,246,739	75,429	1,589,249	2,911,417
<b>Depreciation</b>				
At 1 December 2020	421,870	81,913	967,578	1,471,361
Charge for the year on owned assets	14,793	-	146,361	161,154
Disposals	-	(6,484)	-	(6,484)
At 30 November 2021	436,663	75,429	1,113,939	1,626,031
<b>Net book value</b>				
At 30 November 2021	810,076	-	475,310	1,285,386
At 30 November 2020	824,869	-	506,879	1,331,748

**ADDITIVE-X LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**9. Tangible fixed assets (continued)**

**Company**

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 December 2020	1,246,739	75,429	1,447,497	2,769,665
Additions	-	-	114,792	114,792
At 30 November 2021	<u>1,246,739</u>	<u>75,429</u>	<u>1,562,289</u>	<u>2,884,457</u>
<b>Depreciation</b>				
At 1 December 2020	421,870	75,429	940,941	1,438,240
Charge for the year on owned assets	14,793	-	146,648	161,441
At 30 November 2021	<u>436,663</u>	<u>75,429</u>	<u>1,087,589</u>	<u>1,599,681</u>
<b>Net book value</b>				
At 30 November 2021	<u>810,076</u>	<u>-</u>	<u>474,700</u>	<u>1,284,776</u>
At 30 November 2020	<u>824,869</u>	<u>-</u>	<u>506,556</u>	<u>1,331,425</u>

**10. Fixed asset investments**

**Company**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 December 2020	14,479
Disposals	(2,061)
At 30 November 2021	<u>12,418</u>

# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 10. Fixed asset investments (continued)

#### Subsidiary undertakings

These financial statements are separate company financial statements for Additive -X Limited.

Details of the company's subsidiaries at 30 November 2021 are as follows:

Name	Registered office	Class of shares	Holding
Express Group Bulgaria Limited - Dormant	Bulgaria	Ordinary	100%
Express Group BVBA	Belgium	Ordinary	100%
Express Partstore Greece - Dormant	Greece	Ordinary	100%

### 11. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Finished goods and goods for resale	614,547	758,973	603,240	715,966
	<u>614,547</u>	<u>758,973</u>	<u>603,240</u>	<u>715,966</u>

### 12. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
<b>Due within one year</b>				
Trade debtors	1,626,882	1,461,441	1,521,313	1,313,961
Amounts owed by group undertakings	-	-	344,529	41,312
Other debtors	57,630	143,926	71,144	138,484
Prepayments and accrued income	79,711	66,972	79,711	66,856
	<u>1,764,223</u>	<u>1,672,339</u>	<u>2,016,697</u>	<u>1,560,613</u>

### 13. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	682,338	1,626,841	675,062	1,569,866
	<u>682,338</u>	<u>1,626,841</u>	<u>675,062</u>	<u>1,569,866</u>

# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 14. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	549,836	1,191,791	791,343	1,059,119
Corporation tax	-	13,840	-	13,840
Other taxation and social security	176,202	233,468	176,202	216,701
Other creditors	-	88,823	-	60,282
Accruals and deferred income	112,131	165,294	104,375	128,130
	<u>838,169</u>	<u>1,693,216</u>	<u>1,071,920</u>	<u>1,478,072</u>

### 15. Deferred taxation

#### Group

	2021 £	2020 £
At beginning of year	95,969	58,201
Charged to profit or loss	(5,776)	37,768
At end of year	<u>90,193</u>	<u>95,969</u>

#### Company

	2021 £	2020 £
At beginning of year	95,969	58,201
Charged to profit or loss	(5,776)	37,768
At end of year	<u>90,193</u>	<u>95,969</u>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	90,193	95,969	90,193	95,969
	<u>90,193</u>	<u>95,969</u>	<u>90,193</u>	<u>95,969</u>



# ADDITIVE-X LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

### 16. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
2,400 (2020 - 2,400) Ordinary shares shares of 0.1667 each	4	4

### 17. Operating lease Commitments

#### Lessee

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

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	49,719	45,386	34,098	37,966
Between two and five years	70,434	48,691	70,434	48,691
	<u>120,153</u>	<u>94,077</u>	<u>104,532</u>	<u>86,657</u>

### 18. Analysis of net debt

	At 1 December 2020 £	Cash flows £	At 30 November 2021 £
Cash at bank and in hand	1,626,841	(944,503)	682,338
	<u>1,626,841</u>	<u>(944,503)</u>	<u>682,338</u>

### 19. Pension commitments

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £60,442 (2020 £43,563). The assets of the scheme are held separately from those of the group in an independently administered fund. At the year end there were no amounts due were £Nil (2020 £Nil) in relation to unpaid pension scheme contributions.

### 20. Controlling party

There is no ultimate controlling party.

The director do not consider there to be any one controlling party of the group.