

Company Registration No. 02272344 (England and Wales)

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2020

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

COMPANY INFORMATION

Directors	J Young J Blackburn L Whitehouse P Whitehouse
Secretary	R Heath-Smith
Company number	02272344
Registered office	College Business Park Kearsley Road Ripon North Yorkshire HG4 2RN
Auditor	BHP LLP 1st Floor, Mayesbrook House Lawnswood Business Park Redvers Close Leeds LS16 6QY

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

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ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 NOVEMBER 2020

The directors present the strategic report for the period ended 30 November 2020.

Fair review of the business

The consolidated profit and loss account is set out on page 7.

Due to a change in the year-end date this financial year covers the 18 months from 1 June 2019 to 30 November 2020 during which time the business has faced significant challenges posed by the Covid-19 pandemic. The most significant challenge has been the decline in office printing during lockdown, with less spare parts required as a result. With the ongoing adoption of digital over printed documents there is a long term impact, and some redundancies in the UK were unavoidable. In addition the Croatian subsidiary has been disposed of. The company has taken the opportunity to refocus and rebrand as Additive-X Ltd, a name which combines the additive manufacturing of its "GoPrint3D" division and the "X" of Express Group. Additive-X Ltd moves forward as a leading UK supplier of additive manufacturing technology solutions with added parts distribution, fulfilment and repair services.

The directors have not declared a final dividend for the year ended 30 November 2020.

Key Performance Indicators

Net Promoter Score has (source from reviews.com) has increased to 93 in 2020 from 79 in 2019. Gross margin % has increased slightly 21.7% (21.2% in 2019) while turnover has decreased 10% for the reasons outlined above (FY20 based on 12 months pro-rata £10,203,243 vs FY19 £11,097,742). Net profit has remained at 0.5% despite the pandemic.

Future Outlook

There is huge potential for growth in the additive manufacturing sector as different materials and technologies are adopted for a wide range of applications from prototyping through to production. Additive-X Ltd is well-positioned to help customers achieve success with a portfolio covering printing services, consultancy, training and support, desktop and industrial 3D printers and supplies.

Principal Risks and Uncertainties

Brexit remains a principal risk and uncertainty affecting logistics and the supply chain, partially mitigated by the company's warehouse in Orleans, France. Movements in Sterling exchange rates can adversely impact the results and management take appropriate action to minimise exposure where possible. Other risks and uncertainties include competition in the UK and abroad, product availability and pricing.

Branches outside the UK

The group has an unincorporated branch in France.

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.

On behalf of the board

J Young

Director

27 August 2021

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 NOVEMBER 2020

The directors present their annual report and financial statements for the period ended 30 November 2020.

Principal activities

The principal activity of the group continued to be that of the distribution of printing and computing spare parts and related services through its offices in the UK, Belgium, Croatia, and France.

Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a dividend.

Directors

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

J Young

D Ayres

(Resigned 31 July 2020)

J Blackburn

L Whitehouse

P Whitehouse

Auditor

The auditor, BHP LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

J Young

Director

27 August 2021

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 NOVEMBER 2020

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

Opinion

We have audited the financial statements of Additive - X Limited (Formerly Express Group Limited) (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 November 2020 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent company's affairs as at 30 November 2020 and of the group's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (FORMERLY EXPRESS GROUP LIMITED)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

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.

Charles Ringrose (Senior Statutory Auditor)
for and on behalf of BHP LLP

27 August 2021

Chartered Accountants
Statutory Auditor

1st Floor, Mayesbrook House
Lawnswood Business Park
Redvers Close
Leeds
LS16 6QY

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 NOVEMBER 2020

	Notes	Period ended Continuing operations £	Period ended Discontinued operations £	Period ended 30 November 2020 £	Period ended Continuing operations £	Period ended Discontinued operations £	Year ended 31 May 2019 £
Turnover	2	15,101,553	203,311	15,304,864	11,364,664	-	11,364,664
Cost of sales		(11,854,507)	(129,057)	(11,983,564)	(8,959,582)	-	(8,959,582)
Gross profit		3,247,046	74,254	3,321,300	2,405,082	-	2,405,082
Administrative expenses		(3,169,421)	(157,367)	(3,326,789)	(2,363,767)	-	(2,363,767)
Other operating income		131,073	1,372	132,445	27,660	-	27,660
Operating profit	3	208,698	(81,741)	126,957	68,975	-	68,975
Amounts written off investments	7	(14,264)	-	(14,264)	-	-	-
Profit before taxation		194,434	(81,741)	112,693	68,975	-	68,975
Tax on profit	8	(37,768)	-	(37,768)	(11,449)	-	(11,449)
Profit for the financial period		156,666	(81,741)	74,925	57,526	-	57,526
Other comprehensive income							
Currency translation differences				(13,070)			(17,443)
Total comprehensive income for the period				61,855			40,083

Profit and total comprehensive income for the period is all attributable to the owners of the parent company.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

GROUP BALANCE SHEET

AS AT 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		1,331,748		1,255,376
Current assets					
Stocks	14	758,973		1,016,674	
Debtors	15	1,672,339		1,500,576	
Cash at bank and in hand		1,626,841		1,157,209	
		<u>4,058,153</u>		<u>3,674,459</u>	
Creditors: amounts falling due within one year	16	<u>(1,693,216)</u>		<u>(1,332,773)</u>	
Net current assets			2,364,937		2,341,686
Total assets less current liabilities			<u>3,696,685</u>		<u>3,597,062</u>
Provisions for liabilities					
Deferred tax liability	17	95,969		58,201	
		<u>(95,969)</u>		<u>(58,201)</u>	
Net assets			<u>3,600,716</u>		<u>3,538,861</u>
Capital and reserves					
Called up share capital	19		4		4
Share premium account			1,668		1,668
Profit and loss reserves			3,599,044		3,537,189
Total equity			<u>3,600,716</u>		<u>3,538,861</u>

The financial statements were approved by the board of directors and authorised for issue on 27 August 2021 and are signed on its behalf by:

J Young
Director

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

COMPANY BALANCE SHEET

AS AT 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	1,331,425		1,252,502	
Investments	12	14,479		26,808	
		<u>1,345,904</u>		<u>1,279,310</u>	
Current assets					
Stocks	14	715,966		980,357	
Debtors	15	1,560,613		1,554,775	
Cash at bank and in hand		1,569,866		1,092,206	
		<u>3,846,445</u>		<u>3,627,338</u>	
Creditors: amounts falling due within one year	16	<u>(1,478,072)</u>		<u>(1,223,882)</u>	
Net current assets			2,368,373		2,403,456
Total assets less current liabilities			<u>3,714,277</u>		<u>3,682,766</u>
Provisions for liabilities					
Deferred tax liability	17	95,969		58,201	
		<u>(95,969)</u>		<u>(58,201)</u>	
Net assets			<u>3,618,308</u>		<u>3,624,565</u>
Capital and reserves					
Called up share capital	19		4		4
Profit and loss reserves			3,618,304		3,624,561
Total equity			<u>3,618,308</u>		<u>3,624,565</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £6,257 net of exceptional costs of £200,572. In the prior period the company's profit was £90,709.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 August 2021 and are signed on its behalf by:

J Young
Director

Company Registration No. 02272344

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 NOVEMBER 2020

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 June 2018	4	1,668	3,497,106	3,498,778
Period ended 31 May 2019:				
Profit for the period	-	-	57,526	57,526
Other comprehensive income:				
Currency translation differences	-	-	(17,443)	(17,443)
Total comprehensive income for the period	-	-	40,083	40,083
Balance at 31 May 2019	4	1,668	3,537,189	3,538,861
Period ended 30 November 2020:				
Profit for the period	-	-	74,925	74,925
Other comprehensive income:				
Currency translation differences	-	-	(13,070)	(13,070)
Total comprehensive income for the period	-	-	61,855	61,855
Balance at 30 November 2020	4	1,668	3,599,044	3,600,716

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 NOVEMBER 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 June 2018	4	3,533,851	3,533,855
	<hr/>	<hr/>	<hr/>
Period ended 31 May 2019:			
Profit and total comprehensive income for the period	-	90,710	90,710
	<hr/>	<hr/>	<hr/>
Balance at 31 May 2019	4	3,624,561	3,624,565
	<hr/>	<hr/>	<hr/>
Period ended 30 November 2020:			
Loss and total comprehensive income for the period	-	(6,257)	(6,257)
	<hr/>	<hr/>	<hr/>
Balance at 30 November 2020	4	3,618,304	3,618,308
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

GROUP STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 NOVEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	23	759,390		645,043	
Income taxes (paid)/refunded		(797)		8,277	
Net cash inflow from operating activities		758,593		653,320	
Investing activities					
Purchase of tangible fixed assets		(330,566)		(274,127)	
Proceeds on disposal of tangible fixed assets		41,605		-	
Net cash used in investing activities		(288,961)		(274,127)	
Net increase in cash and cash equivalents		469,632		379,193	
Cash and cash equivalents at beginning of period		1,157,209		778,016	
Cash and cash equivalents at end of period		1,626,841		1,157,209	

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

Company information

Additive - X Limited (Formerly Express Group 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 consists of Additive - X Limited (Formerly Express Group Limited) and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of 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 to include certain financial instruments 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 cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

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

All financial statements are made up to 30 November 2020 except for Express Group BVBA whose financial year ended on 31 October 2020. 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 of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset 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 directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Reporting period

These financial statements are presented for an 18 month period because there has been an extension of the year end. Therefore, the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of 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 recognised 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	Straight Line over the life of the lease
Plant and machinery	33% reducing balance
Fixtures, fittings & equipment	20% - 33% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a 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.

1.8 Impairment of fixed assets

At each reporting period end 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 asset (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 would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an 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 a revaluation increase.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions 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 the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 receivable within one year are not amortised.

Impairment of financial 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 are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, 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 cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised 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 recognised 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 asset in its entirety to an unrelated third party.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

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 the effective interest rate method.

Trade creditors are obligations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 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.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a 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.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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 a 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 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 recognised 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.

1.18 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.

2 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2020	2019
	£	£
Turnover		
Printer and PC spare parts distribution	7,268,492	6,802,855
3D printing solutions	8,036,372	4,561,809
	<u>15,304,864</u>	<u>11,364,664</u>
	<u><u>15,304,864</u></u>	<u><u>11,364,664</u></u>
 Grants received	 90,782	 -
	<u><u>90,782</u></u>	<u><u>-</u></u>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

2 Turnover and other revenue (Continued)

Turnover analysed by geographical market

	2020 £	2019 £
United Kingdom	10,238,954	9,392,870
Europe	4,882,252	1,874,261
Rest of the World	183,658	97,533
	<u>15,304,864</u>	<u>11,364,664</u>

3 Operating profit

	2020 £	2019 £
Operating profit for the period is stated after charging/(crediting):		
Exchange losses	50,702	9,394
Government grants	(90,782)	-
Depreciation of owned tangible fixed assets	231,512	124,747
Profit on disposal of tangible fixed assets	(19,735)	-
Operating lease charges	126,128	66,976
	<u>126,128</u>	<u>66,976</u>

4 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor:		
For audit services		
Audit of the financial statements of the group and company	21,975	18,398
	<u>21,975</u>	<u>18,398</u>
For other services		
Taxation compliance services	2,950	2,700
	<u>2,950</u>	<u>2,700</u>

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Sales	28	14	28	14
Production	6	18	6	18
Administration	10	22	8	20
	<u>44</u>	<u>54</u>	<u>42</u>	<u>52</u>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

5 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	1,862,035	1,308,366	1,680,452	1,175,039
Social security costs	171,283	113,113	171,283	113,113
Pension costs	43,563	18,741	42,926	18,311
	<u>2,076,881</u>	<u>1,440,220</u>	<u>1,894,661</u>	<u>1,306,463</u>

6 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	347,233	239,145
Company pension contributions to defined contribution schemes	5,436	4,922
	<u>352,669</u>	<u>244,067</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	126,472	80,948
Company pension contributions to defined contribution schemes	1,972	3,722
	<u>128,444</u>	<u>84,670</u>

7 Amounts written off investments

	2020 £	2019 £
Loss on disposal in subsidiary	(14,264)	-
	<u>(14,264)</u>	<u>-</u>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

8 Taxation

	2020 £	2019 £
Current tax		
Adjustments in respect of prior periods	-	(1,252)
Deferred tax		
Origination and reversal of timing differences	37,768	12,701
Total tax charge	37,768	11,449

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	112,693	68,975
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	21,412	13,105
Tax effect of expenses that are not deductible in determining taxable profit	16,209	1,061
Adjustments in respect of prior years	-	(1,252)
Effect of change in corporation tax rate	-	(2,326)
Other permanent differences	8,725	146
Losses carried back	-	1,484
Overseas (profit)/losses	(15,425)	6,305
Changes in unrecognised deferred tax liabilities	-	(7,074)
	6,847	-
Taxation charge for the period	37,768	11,449

9 Discontinued operations

Express Group d.o.o

Express Group d.o.o. is the subsidiary in Croatia which has been sold post year end in July 2021, so the activities of this subsidiary are discontinued operations.

Express Partstore Greece

Express Group Partstore Greece is the subsidiary in Greece which has been liquidated during the period in December 2019. so the activities of this subsidiary are discontinued operations.

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2020 £	2019 £
In respect of:			
Fixed asset investments	12	12,329	-
		<u>12,329</u>	<u>-</u>
Recognised in:			
Amounts written off investments		12,329	-
		<u>12,329</u>	<u>-</u>

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

11 Tangible fixed assets

Group	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 June 2019	1,246,739	83,006	1,185,733	2,515,478
Additions	-	-	330,566	330,566
Disposals	-	-	(42,446)	(42,446)
Exchange adjustments	-	(1,093)	604	(489)
At 30 November 2020	<u>1,246,739</u>	<u>81,913</u>	<u>1,474,457</u>	<u>2,803,109</u>
Depreciation and impairment				
At 1 June 2019	395,027	82,844	782,231	1,260,102
Depreciation charged in the period	26,843	162	204,507	231,512
Eliminated in respect of disposals	-	-	(20,576)	(20,576)
Exchange adjustments	-	(1,093)	1,416	323
At 30 November 2020	<u>421,870</u>	<u>81,913</u>	<u>967,578</u>	<u>1,471,361</u>
Carrying amount				
At 30 November 2020	<u>824,869</u>	<u>-</u>	<u>506,879</u>	<u>1,331,748</u>
At 31 May 2019	<u>851,712</u>	<u>162</u>	<u>403,502</u>	<u>1,255,376</u>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

11 Tangible fixed assets

(Continued)

Company	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 June 2019	1,246,739	75,429	1,158,773	2,480,941
Additions	-	-	330,566	330,566
Disposals	-	-	(42,446)	(42,446)
Exchange adjustments	-	-	604	604
At 30 November 2020	1,246,739	75,429	1,447,497	2,769,665
Depreciation and impairment				
At 1 June 2019	395,027	75,267	758,145	1,228,439
Depreciation charged in the period	26,843	162	202,843	229,848
Eliminated in respect of disposals	-	-	(20,576)	(20,576)
Exchange adjustments	-	-	529	529
At 30 November 2020	421,870	75,429	940,941	1,438,240
Carrying amount				
At 30 November 2020	824,869	-	506,556	1,331,425
At 31 May 2019	851,712	162	400,628	1,252,502

12 Fixed asset investments

		Group 2020	2019	Company 2020	2019
	Notes	£	£	£	£
Investments in subsidiaries	13	-	-	14,479	26,808

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

12 Fixed asset investments (Continued)

Movements in fixed asset investments Company

Shares in
subsidiaries
£

Cost or valuation

At 1 June 2019 and 30 November 2020

26,808

Impairment

At 1 June 2019

-

Impairment losses

12,329

At 30 November 2020

12,329

Carrying amount

At 30 November 2020

14,479

At 31 May 2019

26,808

13 Subsidiaries

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

Details of the company's subsidiaries at 30 November 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Express Group Bulgaria Limited	Bulgaria	Ordinary	100.00
Express Group BVBA	Belgium	Ordinary	100.00
Express Group d.o.o	Croatia	Ordinary	100.00

Express Group BVBA has a 31 October year end. Local regulations do not permit a change to align with the group year end.

14 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Finished goods and goods for resale	758,973	1,016,674	715,966	980,357

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

15 Debtors

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,461,441	1,278,916	1,313,961	1,148,864
Amounts owed by group undertakings	-	-	41,312	193,520
Other debtors	143,926	98,487	138,484	89,279
Prepayments and accrued income	66,972	123,173	66,856	123,112
	<u>1,672,339</u>	<u>1,500,576</u>	<u>1,560,613</u>	<u>1,554,775</u>

16 Creditors: amounts falling due within one year

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Trade creditors	1,191,791	1,088,464	1,059,119	1,007,039
Corporation tax payable	13,840	14,637	13,840	14,637
Other taxation and social security	233,468	134,462	216,701	129,949
Other creditors	88,823	40,374	60,282	20,478
Accruals and deferred income	165,294	54,836	128,130	51,779
	<u>1,693,216</u>	<u>1,332,773</u>	<u>1,478,072</u>	<u>1,223,882</u>

Included in other creditors is an amount of £nil (2019: £20,478) which is secured on the debtors of the company. Overdrafts are secured against the assets of the company.

17 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2020	Liabilities 2019
	£	£
Group		
Accelerated capital allowances	<u>95,969</u>	<u>58,201</u>
	Liabilities 2020	Liabilities 2019
	£	£
Company		
Accelerated capital allowances	<u>95,969</u>	<u>58,201</u>

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

17 Deferred taxation (Continued)

	Group 2020 £	Company 2020 £
Movements in the period:		
Liability at 1 June 2019	58,201	58,201
Charge to profit or loss	37,768	37,768
Liability at 30 November 2020	95,969	95,969

The deferred tax liability set out above is expected to reverse in due course and relates to accelerated capital allowances.

18 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	43,563	18,741

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19 Share capital

	Group and company 2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
2,400 Ordinary shares of 0.1667p each	4	4

20 Operating lease commitments

Lessee

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

	Group 2020 £	2019 £	Company 2020 £	2019 £
Within one year	45,386	33,030	37,966	28,239
Between two and five years	48,691	41,412	48,691	36,906
	94,077	74,442	86,657	65,145

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	476,500	322,820

22 Controlling party

There is no ultimate controlling party.

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

23 Cash generated from group operations

	2020 £	2019 £
Profit for the period after tax	74,925	57,526
Adjustments for:		
Taxation charged	37,768	11,449
Gain on disposal of tangible fixed assets	(19,735)	-
Depreciation and impairment of tangible fixed assets	231,512	124,747
Foreign exchange gains on cash equivalents	(12,258)	32,596
Movements in working capital:		
Decrease in stocks	257,701	153,232
(Increase) in debtors	(171,763)	(38,104)
Increase in creditors	361,240	353,949
Cash generated from operations	759,390	695,395

24 Analysis of changes in net funds - group

	1 June 2019 £	Cash flows £	30 November 2020 £
Cash at bank and in hand	1,157,209	469,632	1,626,841

ADDITIVE - X LIMITED (FORMERLY EXPRESS GROUP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

25 Analysis of changes in net funds - company

	1 June 2019	Cash flows	30 November 2020
	£	£	£
Cash at bank and in hand	1,092,206	477,660	1,569,866
	<u> </u>	<u> </u>	<u> </u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.