

Registered number: 02560438

AAMP GLOBAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



AAMP GLOBAL LIMITED

COMPANY INFORMATION

Directors	D M Tolson S Verano
Company secretary	Oakwood Corporate Secretary Limited
Registered number	02560438
Registered office	25B Woolmer Way Bordon Hampshire GU35 9QE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Southampton Science Park Chilworth Southampton SO16 7QJ
Banker	Lloyds Bank Plc The Atrium Davidson House Forbury Square Reading RG1 3EU

AAMP GLOBAL LIMITED

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AAMP GLOBAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors present their Strategic Report for the year ended 31 December 2023.

Introduction

AAMP Global Limited (the "company") is a wholly owned subsidiary of AAMP Holdings Inc.

The principal activity of the company is the design, manufacture and distribution of electrical equipment which includes connectivity solutions and audio visual, communications, entertainment, and in-vehicle safety products.

The company goes to market through two business units, Commercial and Aftermarket. Each of these units has dedicated sales and product teams, supported by a business wide infrastructure covering finance, operations, procurement, and marketing.

Business review

The results for the period and the financial position of the company were considered to be satisfactory by the directors. The company experienced strong demand from its Commercial business unit in the first half of the year, however the second half saw weakness in demand from the agricultural and construction sectors as manufacturers reduced their production schedules. The Aftermarket business had another challenging year, with particularly low demand from its distributor in the US and through the mass retail channel in the UK. The supply chain pressures faced by the company in the previous year largely eased in 2023.

Key performance indicators ("KPIs")

The company uses a variety of KPIs to monitor the business. These KPIs include the monitoring of sales and margins.

Full year sales in 2023 were 13.6% below the prior year. As reported above this reduction came from both the company's business units, with agriculture and construction sales down 9% in the year and sales in the Aftermarket down 17%. There were some pockets of growth, with sales in the Commercial fleet sector up by 8% and sales in the Commercial antennae sector up 3%.

The gross profit margin in the year was 36.5% (2022: 33.8%). Whilst the company strives to improve gross margins through its sales and product strategy, factors such as sales channel mix, customer mix and product mix, along with exchange rate movements all contribute to variances when compared to the prior year's performance.

Administration costs were 8% higher than the prior year and included foreign exchange losses of £140k (2022: *fx gain of £217k*).

Operating Profit, EBITDA and Cash generation were all in line with the directors' expectations.

Development and performance

The company continues to invest in research and development. This has resulted in the launch of new products and the improvement of existing products and product ranges during the year. The directors regard investment in research and development as necessary for continuing success of the company and consequently envisage continued on-going evaluation and engagement in projects of a technical nature.

AAMP GLOBAL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Principal risks and uncertainties

As with all businesses, there are a range of risks and uncertainties that have the potential to disrupt the operations of the business. These include product failure, loss of key personnel, customer reliance, competitive market pricing and technology change. However, it is considered that these risks and uncertainties are manageable in the short to medium term. The key risks with the potential to impact the business in a material manner in the near term are:

Market risk

Competitive pressure in the UK, Europe and the rest of the world is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages risk by providing added value services to its customers, continually updating and developing its range of products, having fast response times not only in supplying products but in handling all customer queries and by maintaining strong relationships with customers.

Supply chain and currency risk

The company makes purchases in US dollars and is therefore exposed to the movement in the Dollar to the Pound exchange rate. Where appropriate the company takes out forward foreign exchange contracts to mitigate the effects of this risk. The company also makes sales in US dollars to further mitigate exchange risk. Where possible, the company mitigates the risk of supply chain disruption by diversifying suppliers.

Outlook

The 2024 financial year has started broadly in line with our expectations, with demand softness from the Commercial agriculture and construction sector expected to continue throughout quarter two, offset to some extent by growth in our Aftermarket audio sales which are improving month on month and expected to continue doing so as we launch new products during 2024.

We expect 2024 to be another challenging year for the company, with the macro-economic environment remaining difficult due to high interest rates and slow growth rates in the markets that the company operates.

This report was approved by the board on 22/5/2024 and signed on its behalf.

Don Tolson

D M Tolson
Director

AAMP GLOBAL LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors present their report and the financial statements for the year ended 31 December 2023.

Results and dividends

The profit for the year, after taxation, amounted to £2,353,949 (2022: *profit* £9,087,621).

A dividend of £5,134,622 was paid in the year (2022: £13,642,006).

Directors

The directors who served during the year and to the date of this report were:

D M Tolson
S Verano
J S Bell (resigned 16 January 2024)

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the company 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AAMP GLOBAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Financial risk management policies and objectives

The company has exposure to three main areas of risk – foreign exchange risk, liquidity risk and customer credit risk.

Foreign exchange risk

The company is exposed to foreign currency exchange risk due to a significant proportion of its sales and operating expenses being denominated in non-sterling currencies. Where appropriate, this risk is mitigated using forward foreign exchange contracts.

Liquidity risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. Management maintain cashflow forecasts and the company expects to continue to be able to meet its financial obligations through operating cashflows.

Customer credit risk

The company may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The company uses an external agency to perform credit checks as a guide for setting customer credit terms. Management regularly check customer payment performance and levels of overdue debt against agreed terms.

The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date.

Going concern

In drawing a conclusion on the company's ability to continue as a going concern, the directors have assessed the financial and operational impacts and risks of the following areas:

- global recession and inflationary cost pressure;
- availability of working capital and cash.

Recessionary pressures and inflation

The company experienced a softening in demand in some of its markets during 2023, as the global economy slowed due to increasing energy costs, higher food prices and increases in interest rates. The company continued to explore different markets and products to counter this softening, with particular focus on the audio market, where there is considerable white space to go after as the company has a very small market share currently. In preparing financial forecasts for 2024 the company has factored into its projections an estimate of inflationary increases in staffing and utility (gas and electric) costs.

Working Capital and Cash

The monthly financial forecasts prepared by the directors through to June 2025 show an adequate cash position, such that the company can meet its financial liabilities as they fall due.

Furthermore, the directors have satisfied themselves that its US parent's forecasts for at least 12 months from the date of this report demonstrate compliance with its banking covenants, which are measured at a US level but are relevant to the compliance requirements of the debt held within the company.

As part of the going concern assessment, the directors have considered severe but plausible downside scenarios and have concluded that even in these situations, the company continues to have sufficient cashflow to continue to meet financial obligations as they fall due.

AAMP GLOBAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

On this basis the directors have a reasonable expectation the company will have adequate financial resources to continue in operation for at least 12 months from approval of the financial statements and therefore it is appropriate to adopt the going concern basis of accounting.

Future developments

New Products - The company seeks to introduce new products on a regular basis to ensure that it provides appropriate solutions to its customers reflecting the most up to date technology in the markets that it operates, often being first to market with new products.

Organic growth - The company continues to seek growth opportunities organically in its current sales channels with the introduction of new products, as well as expanding its global distribution base by acquiring new customers.

Acquisitions - The company continues to look for strategic add-on acquisitions that will help expand its technology and geography, whilst adding positive EBITDA and cashflows.

Research and Development activities

The company invests in activities which qualify as Research and Development expenditure, resulting in a tax credit in the year recognised against the expenditure to which it relates. Total Research and Development expenditure in the year amounted to £579,192 (2022: £577,504).

Qualifying third party indemnity provisions

The company purchased and throughout the year maintained appropriate insurance cover in respect of directors' and officers' liabilities.

Post balance sheet events

The company has taken action in 2024 to consolidate its two UK warehouses. There is not expected to be any material financial impact of this action in 2024. The company is expecting to achieve cost savings in 2025.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22/5/2024 and signed on its behalf.

D M Tolson *Don Tolson*
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAMP GLOBAL LIMITED

Opinion

We have audited the financial statements of AAMP Global Limited (the 'company') for the year ended 31 December 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as increase in inflation, cost of living crisis and less disposal income for consumers to spend in general, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.



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

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

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

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



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

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors

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



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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and industry in which it operates through our general commercial and sector experience, discussions with management and review of board minutes. We determined that the most significant are those that relate to the reporting frameworks (Financial Reporting standard 102 and Companies Act 2006) and UK tax regulations.
- We enquired of management and those charged with governance, concerning the company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations.
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
 - Assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Challenging assumptions and judgements made by management in any significant accounting estimates and judgements;
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations;
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item; and
 - In accordance with ISA240, an element of unpredictability was incorporated into our audit.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the Annual Report and Financial Statements with applicable financial reporting requirements.



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

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the company operates;
 - understanding of the legal and regulatory requirements specific to the company including:
 - the provisions of the applicable legislation;
 - the applicable statutory provisions.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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.



Sophie Murton FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Southampton
Date: 22/5/2024

AAMP GLOBAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
Turnover	4	25,218,773	29,172,638
Cost of sales		(16,011,317)	(19,316,128)
Gross profit		9,207,456	9,856,510
Administrative expenses		(5,802,099)	(5,388,193)
Operating profit	5	3,405,357	4,468,317
Income from Fixed Asset Investments	9	-	10,513,639
Impairment of investments	14	-	(4,763,304)
Interest receivable and similar income		89	-
Interest payable and similar expenses	10	(367,285)	(229,549)
Profit before tax		3,038,161	9,989,103
Tax on profit	11	(684,212)	(901,482)
Profit for the financial year		2,353,949	9,087,621
Other comprehensive income for the year			
Total comprehensive income for the year		2,353,949	9,087,621

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of Comprehensive Income.

The notes on pages 14 to 35 form part of these financial statements.

AAMP GLOBAL LIMITED
REGISTERED NUMBER:02560438

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	3,955,807	4,632,445
Tangible assets	13	375,375	478,267
Investments	14	91,784	91,784
		<u>4,422,966</u>	<u>5,202,496</u>
Current assets			
Stocks	15	6,327,330	8,672,163
Debtors	16	4,736,148	6,531,007
Cash at bank and in hand	17	1,370,066	1,526,056
		<u>12,433,544</u>	<u>16,729,226</u>
Creditors: amounts falling due within one year	18	<u>(7,940,689)</u>	<u>(10,224,399)</u>
Net current assets		<u>4,492,855</u>	<u>6,504,827</u>
Total assets less current liabilities		<u>8,915,821</u>	<u>11,707,323</u>
Creditors: amounts falling due after more than one year	19	(5,026,496)	(5,026,496)
Provisions for liabilities			
Deferred tax	20	(157,594)	(168,423)
		<u>(157,594)</u>	<u>(168,423)</u>
Net assets		<u><u>3,731,731</u></u>	<u><u>6,512,404</u></u>
Capital and reserves			
Called up share capital	22	2,980	2,980
Profit and loss account	21	3,728,751	6,509,424
		<u><u>3,731,731</u></u>	<u><u>6,512,404</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22/5/2024

Don Tolson

D M Tolson
Director

The notes on pages 14 to 35 form part of these financial statements.

AAMP GLOBAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2022	2,980	11,063,809	11,066,789
Comprehensive income for the year			
Profit for the year	-	9,087,621	9,087,621
Dividend paid	-	(13,642,006)	(13,642,006)
At 1 January 2023	2,980	6,509,424	6,512,404
Comprehensive income for the year			
Profit for the year	-	2,353,949	2,353,949
Dividend paid	-	(5,134,622)	(5,134,622)
At 31 December 2023	2,980	3,728,751	3,731,731

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. General information

AAMP Global Limited (the "company") is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at 25B Woolmer Way, Bordon, Hampshire, GU35 9QE.

The company's principal activity is the design, manufacture and distribution of electrical equipment which includes connectivity solutions and audio visual, communications, entertainment, and in-vehicle safety products.

2. Accounting policies**2.1 Company information and basis of preparation of financial statements**

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

The company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

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

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AAMP Armour Group Limited as at 31 December 2023 and these financial statements may be obtained from Companies House.

2.3 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.4 Going concern**

In drawing a conclusion on the company's ability to continue as a going concern, the directors have assessed the financial and operational impacts and risks of the following areas:

- global recession and inflationary cost pressure;
- availability of working capital and cash.

Recessionary pressures and inflation

The company experienced a softening in demand in some of its markets during 2023, as the global economy slowed due to increasing energy costs, higher food prices and increases in interest rates. The company continued to explore different markets and products to counter this softening, with particular focus on the audio market, where there is considerable white space to go after as the company has a very small market share currently. In preparing financial forecasts for 2024 the company has factored into its projections an estimate of inflationary increases in staffing and utility (gas and electric) costs.

Working Capital and Cash

The monthly financial forecasts prepared by the directors through to June 2025 show an adequate cash position, such that the company can meet its financial liabilities as they fall due.

Furthermore, the directors have satisfied themselves that its US parent's forecasts for at least 12 months from the date of this report demonstrate compliance with its banking covenants, which are measured at a US level but are relevant to the compliance requirements of the debt held within the company.

As part of the going concern assessment, the directors have considered severe but plausible downside scenarios and have concluded that even in these situations, the company continues to have sufficient cashflow to continue to meet financial obligations as they fall due.

On this basis the directors have a reasonable expectation the company will have adequate financial resources to continue in operation for at least 12 months from approval of the financial statements and therefore it is appropriate to adopt the going concern basis of accounting.

2.5 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.6 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life of 10 to 20 years.

Other intangible assets

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

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

The estimated useful economic lives of intangible assets are as follows:

Development expenditure	-	3 years
Other intangible fixed assets	-	3 - 5 years
Trademarks	-	3 years

2.7 Tangible fixed assets

Tangible fixed assets are recognised under the cost model and 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, using the straight-line method.

Depreciation is provided on the following basis:

Buildings and improvements	- 10 - 20% straight line
Plant and machinery	- 20 - 33% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings	- 20 - 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount at the point of disposal and are recognised in the Statement of Comprehensive Income.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.8 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.9 Impairment of fixed assets, goodwill and other intangible assets

Assets that are subject to depreciation or amortisation are assessed at each Balance Sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cashflows (CGU's). Non-financial assets that have been previously impaired are reviewed at each Balance Sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have been decreased.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 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 average cost 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 estimated selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.13 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.

2.14 Financial instruments

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

Financial instruments are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables due within the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.14 Financial instruments (continued)****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 company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.15 Creditors

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

2.16 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.17 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.19 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.20 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.22 Research and development

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

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

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

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

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

The directors do not consider there to be any estimates and judgements for which a reasonable movement in the 12 months from the balance sheet date would result in a material impact to the financial statements. Therefore, they do not consider there to be any critical accounting estimates or judgements within these financial statements.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Sale of goods	25,218,773	29,172,638

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	12,158,363	13,839,194
Rest of Europe	6,566,423	8,185,016
Rest of the world	6,493,987	7,148,428
	25,218,773	29,172,638

5. Operating profit

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

	2023 £	2022 £
Research & development charged as an expense	575,899	577,504
Depreciation of tangible fixed assets	193,029	237,466
Amortisation of intangible assets, including goodwill	1,036,840	978,505
Exchange differences	139,650	(217,917)
Operating lease rentals	398,111	405,263
Gain on sale of fixed assets	-	(8,580)
Amounts written off investments	-	4,763,304
Intercompany waiver	-	(514)

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	78,475	68,250
Fees payable to the company's auditors and its associates in respect of:		
Accounts preparation	7,324	11,750
Other services relating to taxation	16,928	11,330
	<u>78,475</u>	<u>68,250</u>

7. Employees

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

	2023	2022
	£	£
Wages and salaries	3,502,518	3,753,113
Social security costs	321,664	376,562
Cost of defined contribution pension scheme	162,310	165,152
	<u>3,986,492</u>	<u>4,294,827</u>

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

	2023	2022
	No.	No.
Manufacturing	16	20
Selling and distribution	34	42
Administration	46	48
	<u>96</u>	<u>110</u>

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Directors' remuneration

	2023	2022
	£	£
Directors' emoluments	402,130	332,696
Contributions to defined contribution pension schemes	46,202	37,077
	448,332	369,773

During the year retirement benefits were accruing to 2 directors (2022: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £241,625 (2022: £196,797).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £17,450 (2022: £14,500).

9. Income from fixed asset investments

	2023	2022
	£	£
Dividends received from unlisted investments	-	10,513,639

10. Interest payable and similar expenses

	2023	2022
	£	£
Interest on loans from group undertakings	365,887	226,976
Other interest payable	1,398	2,573
	367,285	229,549

AAMP GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	742,733	853,100
R&D credits	(48,762)	-
Adjustments in respect of previous periods	1,070	-
Total current tax	695,041	853,100
Deferred tax		
Origination and reversal of timing differences	(10,613)	34,756
Adjustments in respect of prior periods	(216)	10,976
Changes to tax rates	-	2,650
Total deferred tax	(10,829)	48,382
Taxation on profit on ordinary activities	684,212	901,482

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: *lower than*) the standard rate of corporation tax in the UK of 23.52% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>3,038,161</u>	<u>9,989,103</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022: 19%)	714,592	1,897,930
Effects of:		
Expenses not deductible for tax purposes	2,974	900,182
Research and development expenditure credits	(48,762)	(42,460)
Research and development expenditure charge	11,469	8,067
Impact of changes in tax rate	(628)	10,976
Differences between depreciation and capital allowances	164,399	124,431
Dividend income	-	(1,997,591)
Group relief surrendered/(claimed) for nil consideration	(160,686)	-
Adjustments to tax charge in respect of prior period	1,070	(2,703)
Adjustments to tax charge in respect of previous periods - deferred tax	(216)	2,650
Total tax charge for the year	<u><u>684,212</u></u>	<u><u>901,482</u></u>

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023 on profits over £250,000. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

AAMP GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Intangible assets

	Software £	Development £	Trademarks £	Goodwill £	Total £
Cost					
At 1 January 2023	150,580	1,856,488	-	8,131,610	10,138,678
Additions	4,611	352,055	3,536	-	360,202
Disposals	(123,447)	(151,232)	-	-	(274,679)
At 31 December 2023	31,744	2,057,311	3,536	8,131,610	10,224,201
Amortisation					
At 1 January 2023	146,853	1,086,903	-	4,272,477	5,506,233
Charge for the year	2,909	334,372	98	699,461	1,036,840
Disposals	(123,447)	(151,232)	-	-	(274,679)
At 31 December 2023	26,315	1,270,043	98	4,971,938	6,268,394
Net book value					
At 31 December 2023	5,429	787,268	3,438	3,159,672	3,955,807
At 31 December 2022	3,727	769,585	-	3,859,133	4,632,445

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Tangible fixed assets

	Buildings and improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	256,515	1,740,562	48,881	605,259	2,651,217
Additions	-	50,165	16,100	23,872	90,137
Disposals	-	(401,662)	-	(183,577)	(585,239)
At 31 December 2023	<u>256,515</u>	<u>1,389,065</u>	<u>64,981</u>	<u>445,554</u>	<u>2,156,115</u>
Depreciation					
At 1 January 2023	72,480	1,547,875	32,219	520,376	2,172,950
Charge for the year	32,843	94,017	14,024	52,145	193,029
Disposals	-	(401,662)	-	(183,577)	(585,239)
At 31 December 2023	<u>105,323</u>	<u>1,240,230</u>	<u>46,243</u>	<u>388,944</u>	<u>1,780,740</u>
Net book value					
At 31 December 2023	<u>151,192</u>	<u>148,835</u>	<u>18,738</u>	<u>56,610</u>	<u>375,375</u>
At 31 December 2022	<u>184,035</u>	<u>192,687</u>	<u>16,662</u>	<u>84,883</u>	<u>478,267</u>

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2023	91,784
At 31 December 2023	91,784
Net book value	
At 31 December 2023	91,784
At 31 December 2022	91,784

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Armour Nordic AB	Brodalsvägen 1 B 433 38 Partille	Distribution of electrical equipment	Ordinary	100%
Armour Nordic AS	Brodalsvägen 1 B 433 38 Partille	Distribution of electrical equipment	Ordinary	100%
Continental Technologies & Investments Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
Autoleads Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
AutoDAB Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%
Connects2 Limited	25b Woolmer Way, Bordon, Hampshire, GU35 9QE	Dormant	Ordinary	100%

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Stocks

	2023 £	2022 £
Raw materials and consumables	1,074,539	1,312,865
Work in progress	10,983	2,703
Finished goods and goods for resale	5,241,808	7,356,595
	<u>6,327,330</u>	<u>8,672,163</u>

Stock is stated net of provision recognised of £1,522,953 (2022: £1,453,596).

16. Debtors

	2023 £	2022 £
Trade debtors	4,328,866	5,316,611
Amounts owed by group undertakings	163,522	810,839
Corporation tax	4,959	-
Other debtors	14,114	184,906
Prepayments and accrued income	224,687	218,651
	<u>4,736,148</u>	<u>6,531,007</u>

Trade debtors are stated net of a provision for bad debts of £102,001 (2022: £123,396).

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

17. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>1,370,066</u>	<u>1,526,056</u>

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,598,334	2,249,553
Amounts owed to group undertakings	5,047,925	6,424,270
Corporation tax	-	226,423
Other taxation and social security	197,563	253,763
Other creditors	359,590	562,866
Accruals and deferred income	737,277	507,524
	<u>7,940,689</u>	<u>10,224,399</u>

Amounts owed to group undertakings are unsecured, interest free and repayable upon demand.

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

	2023 £	2022 £
Intercompany loans	<u>5,026,496</u>	<u>5,026,496</u>

Intercompany Loans comprises an unsecured loan from AAMP Armour Group Limited. The full amount is repayable June 2030 with no fixed repayments due before this time. Interest is being charged at a rate of Bank of England Base rate plus 2.5% per annum.

20. Deferred taxation

	2023 £	2022 £
At beginning of year	(168,423)	(120,041)
Utilised in year	10,829	(48,382)
At end of year	<u>(157,594)</u>	<u>(168,423)</u>

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(184,343)	(209,435)
Other timing differences	26,632	28,367
Losses and other deductions	117	12,645
	<u>(157,594)</u>	<u>(168,423)</u>

21. Reserves**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

22. Share capital

	2023 £	2022 £
Shares classified as equity		
Authorised		
5,000 (2022: 5,000) Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
2,980 (2022: 2,980) Ordinary shares of £1 each	<u>2,980</u>	<u>2,980</u>

Share capital represents the nominal value of shares that have been issued.

All shares issued are non-redeemable and rank equally in terms of voting rights (one vote per share) and rights to participate in all approved dividend distributions.

23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £162,310 (2022: £163,674). Contributions totalling £20,250 (2022: £9,317) were payable to the fund at the Balance Sheet date and are included in creditors.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. Contingent liabilities

The company is a party to the US Group's funding and credit facilities, under which there are cross guarantees and debentures over the assets of the company. At the 31 December 2023 the company had guaranteed the borrowings of certain group companies which amounted to £144,328,442 (*31 December 2022: £145,114,439*).

25. Commitments under operating leases

At 31 December 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Land and buildings		
Within 1 year	210,873	340,210
Between 2 - 5 years	103,142	310,993
	<u>314,015</u>	<u>651,203</u>
	2023 £	2022 £
Other		
Not later than 1 year	64,676	59,510
Between 2 - 5 years	52,467	35,714
	<u>117,143</u>	<u>95,224</u>

26. Related party transactions

The company has taken advantage of the exemption not to disclose transactions with members of a wholly owned group.

Two close family members of the directors were employed by the entity in the period (*2022: Two close family members were employed*).

27. Post balance sheet events

The company has taken action in 2024 to consolidate its two UK warehouses. There is not expected to be any material financial impact of this action in 2024. The company is expecting to achieve cost savings in 2025.

AAMP GLOBAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

28. Controlling party

The company's immediate parent and smallest group of undertakings in which consolidated accounts are prepared is AAMP Armour Group Limited, a company incorporated in the United Kingdom. It's registered office is 25B Woolmer Way, Bordon, Hampshire, GU35 9QE. A copy of the parent company accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The largest group of undertakings in which consolidated accounts are prepared is Halifax AAMP Group LLC. It's registered office address is Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808.

The company's ultimate controlling party is Halifax Capital Partners IV, L.P. a company incorporated in the United States, by virtue of its 100% indirect holding in the share capital of the company.