

Report of the Directors and
Financial Statements for the Year Ended 28 February 2022
for
Digital Automotive Solutions Ltd



Digital Automotive Solutions Ltd

Contents of the Financial Statements
for the Year Ended 28 February 2022

	Page
Company Information	1
Report of the Directors	2
Independent auditors' report to the members of Digital Automotive Solutions Ltd	5
Income Statement	9
Balance Sheet	10
Notes to the Financial Statements	11

Digital Automotive Solutions Ltd

Company Information
for the Year Ended 28 February 2022

Directors:

G I MacLeod
J C Branton
T Marley
M A Potter
P D Khot

Registered office:

Unit 1-2 Harvard Way
Normanton Industrial Estate
Normanton
West Yorkshire
WF6 1FL

Registered number:

08927855 (England and Wales)

Independent Auditors:

PricewaterhouseCoopers LLP
One Chamberlain Square
Birmingham
B3 3AX

Digital Automotive Solutions Ltd

Report of the Directors **for the Year Ended 28 February 2022**

The Directors present their report with the audited financial statements of the company for the year ended 28 February 2022.

Principal activities

The principal activity of the Company is the trading of used vehicles purchased from consumers and remarketing of these used vehicles via physical and online auctions by Aston Barclay Limited, a group company.

Review of the Business

The Company's profit after taxation for the year was £1,712,000 (year ended 28/02/2021 - £181,000).

The Company delivered a strong operational performance during the year, with an increase in revenue of 284% and an increase in profit after taxation of 844% over the previous year, based on an increase of 111% in the sold volume of vehicles. This exceptional performance was achieved despite the uncertain and volatile market conditions as a result of automotive supply chain challenges and inconsistent levels of consumer confidence (largely driven by the impact of COVID-19).

The Company's continued investment in people, technology, marketing and infrastructure provides a solid platform on which the Company will continue to build upon in the future. During the second half of the year, the Company expanded the vehicle purchasing team by 96% delivering a sharp rise in the volume of vehicle transactions. Increased vehicle purchasing activity and data sharing between the two group companies has yielded a greatly improved and sustained financial performance for both companies.

During the year, the Company diversified its marketing strategy with a larger proportion of consumers engaging with the Company directly. The Company continues to maintain strong relationships and deep technical integrations with strategic partner companies.

The Company continues to focus on cash management to fund the increase in working capital requirements. As part of this focus, the Company ended its stock funding relationship with Barclays Bank plc., replacing it with access to the Group's expanded funding facility. This will yield further substantial savings in funding costs.

Affiliate fees and marketing costs have previously been accounted for as administrative costs in the years to 28 February 2021. In this financial year, to better reflect the nature of these costs, these costs have been recorded as Costs of Sales in the financial period under review.

Digital Automotive Solutions Ltd

Report of the Directors **for the Year Ended 28 February 2022**

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

J C Branton
T Marley
M A Potter
G I MacLeod
P D Khot

Directors' indemnities

The Company maintains cover under a qualifying third-party indemnity for all directors and officers against liabilities which may be incurred by them whilst acting as Directors or Officers during the financial year and also at the date of approval of the financial statements.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Digital Automotive Solutions Ltd

Report of the Directors **for the Year Ended 28 February 2022**

Going concern

The Directors are required to consider the appropriateness of the going concern basis when preparing the financial statements. The Directors have taken note of the Financial Reporting Council guidance in respect of Going Concern which recommends the reasons for this decision to be explained. The Directors have assessed the future funding requirements of the Company and have determined that the forecasts and projections show that the Company can generate sufficient cash, taking into consideration future possible changes in trading performance.

The Company and Group which it is part of manages its liquidity needs through a combination of long and short-term facilities including working capital, revolving credit facilities, senior debt and long-term shareholder funding. Externally provided debt includes certain quarterly covenant tests. The Company forecasts and monitors its cash inflows and outflows on a rolling 13-week basis. Furthermore, it utilises rolling integrated financial forecasts to monitor its scheduled debt servicing payments and its forecast covenant compliance. The board approves the annual budget and regularly reviews the rolling integrated forecasts, which reflect an up-to-date view of trading in the forecast period.

In evaluating the going concern assumption, and as part of the integrated financial forecasts, the directors have prepared detailed trading and cash flow forecasts for the period to 28 February 2025 and compared these, together with a range of plausible sensitivities, to the bank facilities and the related covenant requirements of the group. The Group's bank funders, Crescent Capital and Barclays Bank plc, remain highly supportive of the Group and the Company. The Company discontinued its short-term stock funding facility during the year and became part of the restated Group funding facilities as a guarantor. The financial covenants were reset based on Group financial forecasts. It is anticipated that the Group which Digital Automotive Solutions Ltd is a part of, will comply with all covenants at future testing periods.

After consideration of the forecasts and sensitivities and the range of support available, the directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due for the foreseeable future and it is therefore appropriate to prepare the financial statements on a going concern basis.

The directors have received written confirmation from ABVR Holdings Limited, the ultimate parent undertaking, that ABVR Holdings Limited is committed to ensuring that the Company can meet its ongoing financial commitments as and when they fall due, for at least eighteen months from 31 May 2022.

Directors' confirmations

In the case of each director in office at the date the Report of the Directors is approved:

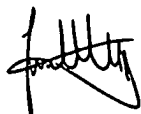
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's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

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have shown their willingness to continue in office.

This report has been prepared in accordance with the provisions of Part 15, Section 415A of the Companies Act 2006 relating to small companies.

This report was approved by the board on 26 May 2022 and signed on its behalf.



T Marley
Director

Independent auditors' report to the members of Digital Automotive Solutions Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Digital Automotive Solutions Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 28 February 2022; the income statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Independent auditors' report to the members of Digital Automotive Solutions Ltd

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 28 February 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 auditors' report to the members of Digital Automotive Solutions Ltd

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.
- Assessing significant judgements and estimates in particular those relating to net realizable value of inventory and the disclosures included on these balances within the financial statements.
- Reviewing the minutes of the board meeting to check any non-compliance with laws and regulations.
- Incorporating elements of unpredictability
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Digital Automotive Solutions Ltd

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Report of the Directors; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Neil Philpott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
Date: 27 May 2022.

Digital Automotive Solutions Ltd

Income Statement
for the Year Ended 28 February 2022

	Notes	Year Ended 28/02/22 £'000	Year Ended 28/02/21 £'000
Turnover		120,504	31,392
Cost of sales		<u>(116,893)</u>	<u>(28,790)</u>
Gross profit		3,611	2,602
Administrative expenses		(1,864)	(2,634)
Other operating income	5	<u>1</u>	<u>229</u>
Operating profit	6	1,748	197
Interest payable and similar expenses		<u>(39)</u>	<u>(18)</u>
Profit before taxation		1,709	179
Tax on profit		<u>3</u>	<u>2</u>
Profit for the financial year		<u>1,712</u>	<u>181</u>

There was no other comprehensive income or expense for the year ended 28 February 2022 (year ended 28 February 2021: £Nil).

All amounts relate to continuing operations.

The notes form part of these financial statements

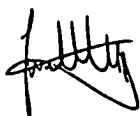
Digital Automotive Solutions Ltd (Registered number: 08927855)

Balance Sheet
As at 28 February 2022

	Notes	28 Feb 2022 £'000	28 Feb 2021 £'000
Fixed assets			
Intangible assets	7	4	11
Tangible assets	8	<u>56</u>	<u>14</u>
		<u>60</u>	<u>25</u>
 Current assets			
Stocks	9	3,597	781
Debtors	10	96	220
Bank and cash balances		<u>1,131</u>	<u>700</u>
		4,824	1,701
Creditors: amounts falling due within one year	11	<u>(5,400)</u>	<u>(3,954)</u>
Net current liabilities		<u>(576)</u>	<u>(2,253)</u>
Total assets less current liabilities		(516)	(2,228)
Provisions for liabilities		-	-
Net liabilities		<u>(516)</u>	<u>(2,228)</u>
 Capital and reserves			
Called up share capital		1	1
Share premium		397	397
Profit and loss account		<u>(914)</u>	<u>(2,626)</u>
Total equity		<u>(516)</u>	<u>(2,228)</u>

The financial statements on pages 9 to 16 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 on 26 May 2022 and were signed on its behalf by:



T Marley
Director

The notes form part of these financial statements

Digital Automotive Solutions Ltd

Notes to the Financial Statements **for the Year Ended 28 February 2022**

1. Statutory information

Digital Automotive Solutions Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied consistently throughout the year:

Going concern

The Company and Group which it is part of manages its liquidity needs through a combination of long and short-term facilities including working capital, revolving credit facilities, short-term stock funding, senior debt and long-term shareholder funding. Externally provided debt includes certain quarterly covenant tests. The Company forecasts and monitors its cash inflows and outflows on a rolling 13-week basis. Furthermore, it utilises rolling integrated financial forecasts to monitor its scheduled debt servicing payments and its forecast covenant compliance. The board approves the annual budget and regularly reviews the rolling integrated forecasts, which reflect an up-to-date view of trading in the forecast period.

In evaluating the going concern assumption, and as part of the integrated financial forecasts, the directors have prepared detailed trading and cash flow forecasts for the period to 28 February 2025 and compared these, together with a range of plausible sensitivities, to the bank facilities and the related covenant requirements of the group. As a result of the Covid-19 lockdown, trading was substantially reduced in the current financial year. The Group's bank funders, Crescent Capital and Barclays Bank plc, remain highly supportive of the Group and the Company, during the year under review various financial covenants were reset. The Company discontinued its short-term stock funding facility during the year and became part of the restated Group funding facilities as a guarantor. The financial covenants were reset based on Group financial forecasts. It is anticipated that the Group which Digital Automotive Solutions Ltd is a part of, will comply with all covenants at future testing periods.

After consideration of the forecasts and sensitivities and the range of support available, the directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due for the foreseeable future and it is therefore appropriate to prepare the financial statements on a going concern basis.

The directors have received written confirmation from ABVR Holdings Limited, the ultimate parent undertaking, that ABVR Holdings Limited is committed to ensuring that the Company can meet its ongoing financial commitments as and when they fall due, for at least eighteen months from 31 May 2022.

Digital Automotive Solutions Ltd

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

2. Accounting policies – continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

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

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost and 20% on cost

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

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 represents purchase price, affiliate rebates and associated collection costs.

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

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.

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.

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Grant Income

Grants and other income receivable from government are recognised in Other operating income. Such amounts receivable as compensation for expenses already incurred are recognised when they become receivable. Other grants are only recognised when it is reasonably certain that the Company will comply with the conditions, if any, attached to the grant and that the grant will be received.

Digital Automotive Solutions Ltd

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. Accounting policies – continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the Income Statement in the period to which they relate.

Finance costs

Finance costs are charged to the Income Statement 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.

Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

3. Critical accounting judgements and key sources of estimation uncertainty

Company management and the Board of Directors make estimates and assumptions about the future.

These estimates and assumptions impact recognised assets and liabilities, as well as revenue and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within financial year include:

- Tangible and intangible assets are recognised at cost, less accumulated depreciation, amortisation and any impairments. Amortisation and depreciation take place over the estimated useful life, down to the assessed residual value. The carrying amount of the company's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

In the course of preparing the financial statements, no judgements have been made in the process of applying the Company's accounting policies, other than those involving estimations that have had a significant effect on the amounts recognised in the financial statements.

Digital Automotive Solutions Ltd**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022****4. Employees and directors**

The average number of employees during the year ended 28 February 2022 was 69 (year ended 28 February 2021 - 50).

5. Other operating income

	Year Ended 28/02/22 £'000	Year Ended 28/02/21 £'000
Grant income ¹	1	229
	<u>1</u>	<u>229</u>

¹£1,467 was received from the Coronavirus Job Retention Scheme (CJRS) (year ended 28/02/2021: £229,000).

6. Operating profit

The operating profit is stated after charging:

	Year Ended 28/02/22 £'000	Year Ended 28/02/21 £'000
Depreciation of fixed assets	15	9
Computer software amortisation	7	9
Profit on disposal of fixed assets	-	2
Impairment of trade debtors	12	-
Auditors' remuneration - audit of the company's financial statements	26	25
Auditors' remuneration - other services (tax compliance services)	<u>4</u>	<u>4</u>

7. Intangible assets

	Other intangible assets £'000
Cost	
At 1 March 2021 and 28 February 2022	<u>86</u>
Accumulated Amortisation	
At 1 March 2021	75
Charge for year	<u>7</u>
At 28 February 2022	<u>82</u>
Net book value	
At 28 February 2022	<u>4</u>
At 28 February 2021	<u>11</u>

Digital Automotive Solutions Ltd

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

8. Tangible assets

	Plant and machinery etc £'000
Cost	
At 1 March 2021	38
Additions	<u>57</u>
At 28 February 2022	<u>95</u>
Accumulated Depreciation	
At 1 March 2021	24
Charge for year	<u>15</u>
At 28 February 2022	<u>39</u>
Net book value	
At 28 February 2022	<u>56</u>
At 28 February 2021	<u>14</u>

9. Stocks

	28 Feb 2022 £'000	28 Feb 2021 £'000
Finished goods and goods for resale	<u>3,597</u>	<u>781</u>
	<u>3,597</u>	<u>781</u>

There is no material difference between the current replacement cost of stocks and the amounts stated above.

10. Debtors

	28 Feb 2022 £'000	28 Feb 2021 £'000
Trade debtors	47	213
Deferred tax asset	5	2
Other debtors	<u>44</u>	<u>5</u>
	<u>96</u>	<u>220</u>

The amount of debtors due after more than one year is as follows:

	28 Feb 2022 £'000	28 Feb 2021 £'000
Deferred tax asset	<u>5</u>	<u>2</u>
	<u>5</u>	<u>2</u>

Digital Automotive Solutions Ltd

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

11. Creditors: amounts falling due within one year

	28 Feb 2022	28 Feb 2021
	£'000	£'000
Bank loans and overdrafts	-	489
Trade creditors	621	242
Amounts owed to group undertakings	3,944	2,578
Taxation and social security	61	42
VAT	308	331
Other creditors	19	9
Accruals and deferred income	447	263
	<u>5,400</u>	<u>3,954</u>

Included within bank loans and overdrafts is a short-term stock funding loan of £nil (2021: £489,000) representing a brought forward of £489,000 (2021: £1,287,000), stock funding drawn down of £40,900,000 (2021: £15,428,000), with repayments made following sale of stock totalling £41,389,000 (2021: £16,226,000). The funding line was fully repaid during the year. The Company discontinued its short-term stock funding facility during the year and became part of the restated Group funding facilities as a guarantor.

Amounts owed to group undertakings are unsecured, interest free, have no fixed repayment date and are payable on demand.

12. Loans

Borrowings are secured on the following:

Debenture on the banks standard form dated 23/06/2017.

Debenture on the banks standard form dated 11/10/2018.

13. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A, not to disclose related party transactions with wholly owned subsidiaries within the Group.

14. Ultimate controlling party

The immediate parent undertaking is Aston Barclay Holdings Limited, a Company registered in England. The Aston Barclay Holdings Limited is the smallest group and ABVR Holdings Limited is the largest group for which consolidated financial statements are prepared, and the ultimate parent undertaking is ABVR Holdings Limited, a Company registered in England. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The registered office address of Aston Barclay Holdings Limited is Unit 1-2 Harvard Way, Normanton Industrial Estate, Normanton, West Yorkshire, WF6 1FL.

The ultimate controlling party is Rutland Partners LLP a private equity fund manager registered in England.