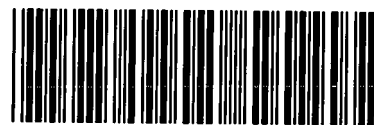


Inotec Barcode Security Ltd

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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Inotec Barcode Security Ltd

Contents

Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3 to 8

Inotec Barcode Security Ltd

Company Information

Director	Niels Arens David Stocker
Registered office	Inotec House Viking Close Willerby Hull HU10 6DZ
Solicitors	Hamers Solicitors 5 Earls Court Priory Park East Hull- East Yorkshire HU4 7DY
Bankers	HSBC 3-4 Jameson Street Hull HU1 3JX
Auditors	Forrester Boyd Robson Limited Chartered Accountants Kingfisher Court Plaxton Bridge Road Woodmansey Beverley East Yorkshire HU17 0RT

Inotec Barcode Security Ltd**(Registration number: 03780640)****Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	103,505	25,285
Current assets			
Stocks	6	69,872	150,174
Debtors	7	291,611	421,640
Cash at bank and in hand		<u>706,258</u>	<u>169,192</u>
		1,067,741	741,006
Creditors: Amounts falling due within one year	8	<u>(526,148)</u>	<u>(260,906)</u>
Net current assets		<u>541,593</u>	<u>480,100</u>
Total assets less current liabilities		645,098	505,385
Provisions for liabilities		<u>(25,748)</u>	<u>(4,688)</u>
Net assets		<u>619,350</u>	<u>500,697</u>
Capital and reserves			
Called up share capital	9	20,000	20,000
Retained earnings		<u>599,350</u>	<u>480,697</u>
Shareholders' funds		<u>619,350</u>	<u>500,697</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 Section 1A - small entities.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on May 9th, 23 and signed on its behalf by:


.....
N Arens
Director

Inotec Barcode Security Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital incorporated in England and the company registration number is 03780640.

The address of its registered office is:

Inotec House
Viking Close
Willerby
Hull
HU10 6DZ

These financial statements were authorised for issue by the Board on 9/5/2023

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 31/8/2023 was Michael Beckett BA FCA, who signed for and on behalf of Forrester Boyd Robson Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the supply and installation of durable labels, floor tags and line marking. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

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

Inotec Barcode Security Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

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

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	2% straight line
Equipment, fixtures and fittings	20% reducing balance
Plant and machinery	20% straight line
Computer equipment	33% straight line
Motor vehicles	20% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill has been fully amortised over its useful life, which the directors estimated to be 10 years. This policy is considered appropriate as the acquired business has demonstrated substantial growth in turnover and profitability sufficient for a useful life of 10 years to be assumed. In addition, the goodwill is considered to be capable of continued measurement so that annual impairment reviews are feasible.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the purchase price.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the Company (including Directors) during the year, was 14 (2021 - 14).

Inotec Barcode Security Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2022	17,774	17,774
At 31 December 2022	17,774	17,774
Amortisation		
At 1 January 2022	17,774	17,774
At 31 December 2022	17,774	17,774
Carrying amount		
At 31 December 2022	-	-

5 Tangible assets

	Improvements to leasehold land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2022	57,567	25,952	91,890	40,630	11,016	227,055
Additions	-	-	6,711	751	84,880	92,342
Disposals	-	-	-	-	(11,016)	(11,016)
At 31 December 2022	57,567	25,952	98,601	41,381	84,880	308,381
Depreciation						
At 1 January 2022	56,955	25,245	71,750	39,559	8,261	201,770
Charge for the year	98	141	8,355	1,259	3,534	13,387
Eliminated on disposal	-	-	-	-	(10,281)	(10,281)
At 31 December 2022	57,053	25,386	80,105	40,818	1,514	204,876
Carrying amount						
At 31 December 2022	514	566	18,496	563	83,366	103,505
At 31 December 2021	612	707	20,140	1,071	2,755	25,285

Included within the net book value of land and buildings above is £514 (2021 - £612) in respect of improvements to leasehold land and buildings.

6 Stocks

	2022 £	2021 £
Work in progress	20,754	77,599
Other inventories	49,118	72,575
	69,872	150,174

Inotec Barcode Security Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Debtors

	2022 £	2021 £
Current		
Trade debtors	290,382	414,722
Prepayments	1,222	6,918
Other debtors	7	-
	<u>291,611</u>	<u>421,640</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Trade creditors		97,589	76,479
Amounts owed to group undertakings and undertakings in which the company has a participating interest	11	172,615	72,237
Taxation and social security		26,744	25,256
Corporation tax liability		9,513	25,203
Accruals and deferred income		<u>219,687</u>	<u>61,731</u>
		<u>526,148</u>	<u>260,906</u>

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £35,111 (2021 - £71,848). The company is committed to operating leases for vehicles.

11 Related party transactions

The company has taken advantage of the exemption included in FRS 102 from disclosing transactions with other members of the group.

Inotec Barcode Security Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

12 Parent and ultimate parent undertaking

The company's immediate parent is Inotec Barcode Security GmbH, incorporated in Germany.
The ultimate parent is Obermark (SCA) SICAR, incorporated in Luxembourg.

These financial statements are available upon request from 1c rue, Gabriel Lippmann, L-5365 Munsbach, Luxembourg.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Obermark (SCA) SICAR, incorporated in Luxembourg.

The address of Obermark (SCA) SICAR is:
1c Rue, Gabriel Lippman, L-5365 Munsbach, Luxembourg

The parent of the smallest group in which these financial statements are consolidated is Inotec Barcode Security, incorporated in Germany.

The address of Inotec Barcode Security is:
Havelstrasse, 1-3, D-24536 Neumenster, Germany