Registered number: 04383521

Rivus Fleet Solutions Limited
(formerly BT Fleet Limited)

Strategic Report, Directors' Report and Financial Statements for the 9-month period ended 31 December 2019

Rivus Fleet Solutions Limited

Company Information

Directors	HJS Brace (Resigned 31st December2019) CP Wides (Resigned 30th September 2019) NA Hale (Resigned 31st May 2019) S Wunderlich (Appointed 4th November 2019, Resigned 20th November 2019) M Zuther (Appointed 30th September 2019, Resigned 1st December 2020) MA Scheidler (Appointed 1st February 2020) D Myers (Appointed 1st December 2020)
Company Secretary	A Kara
Registered number	04383521
Registered Office	Aquarius Building Solihull Parkway, Birmingham Business Park, Birmingham, England, B37 7YN
Independent auditor	KPMG LLP, Statutory Auditor Chartered Accountants Quayside House 110 Quayside Newcastle upon Tyne NE1 3DX

Rivus Fleet Solutions Limited

Contents

Strategic Report for the 9-month period ended 31 December 2019

The directors present their Strategic Report for Rivus Fleet Solutions Limited ("Rivus Fleet Solutions" or the "Company") for the 9-month period ended 31 December 2019. The comparative period is the 12 months ended March 2019.

Review of business and future developments

Rivus Fleet Solution's prime focus remains the provision of Fleet Management services to a wide range of customers. With its expertise in fleet management and vehicle technology, Rivus Fleet Solutions continues to drive technological developments, cost reductions and efficiency programmes for its customers.

In August 2019, British Telecommunications plc ("BT") agreed the sale of the entire issued share capital of BT Fleet Limited to Aurelius Gamma Limited. The Company is now known as Rivus Fleet Solutions Limited. This sale was completed on 30th September 2019. On separation, the Company entered into a long-term agreement to continue to provide fleet management services to the BT group.

In the 9 months to December 2019 the Company was prepared for sale and during this period undertook a number of changes to the business model that impacted the financial statements that are presented. Most notably the settlement of an intercompany loan between the company and BT impacting the quantum of interest payments that contribute to profit before tax. The Company undertook a number of asset transfers and a sales and leaseback transaction in readiness for divestment, this has resulted in an increase in leasing costs and associated reduction in operating profit. Alongside this, the Company has adopted IFRS 16 which has changed the recognition criteria for assets previously held under operating lease. These factors, together with a number of one-off restructuring costs have led to the presentation of a year on year deterioration, however the underlying performance of the business remains stable.

The change of ownership has led to a shift in terms of both the organisation's culture and value proposition. The Company's Directors have focussed on stabilising the organisation through a period of significant change whilst separating from BT and embedding a new mindset of cost-conscious customer focus. This transition will continue through the next financial year, ensuring that the Company is building a strong foundation for future growth. To build this foundation, the business has incurred separation and restructuring costs which are expected to continue through the next financial year.

During the period of transition, the Company has continued to focus on growth in its customer base and operational efficiencies. A core focus in the year was increasing the volume of work through the Rivus Fleet Solutions garage network and reducing the reliance on third-party providers.

Strategic Report for the 9-month period ended 31 December 2019 (continued)

The Company's Board has and will continue to review and evolve the strategic goals of the organisation with the vision of being the market leader in UK fleet and mobility services; through innovation, efficiency, and reliability. Behind this vision there are a range of objectives, spanning technology, growth, customer value, efficiency and ensuring the business has a talented and motivated workforce. Through all of these activities, it is of key concern that the business operates to a consistently high standard of work at all stages of the customer journey and this is evidenced through the certifications that the business hold.

In looking to the future, developments include new product introduction to current and future customers with key focus on the launch of a leasing product to the market which has historically only been provided to the Company's largest customer and previous parent company, BT.

The Company continue to analyse and monitor the alternative fuel vehicle market and are committed to shaping and supporting our existing and future customers aspirations to reduce their fleets' carbon footprint. The Company are investing in capability to meet this future demand.

The Company continues to operate in a sustainable manner in relation to the environment and has implemented a number of new measures over the period in order to track those which are most relevant to the business.

Principal risks and uncertainties

The principal risks to which Rivus Fleet Solutions is exposed are margin erosion due to market competition and technological advancements within the industry. These risks are managed by the Company's leadership team at a business unit level through regular review meetings.

The Company has been and will continue to be impacted by the coronavirus pandemic. The Company has an established and tested business continuity plan to ensure that operations can withstand interruptions. These plans are actively managed by the Company's leadership team at both a national and a local level.

The Company has been and will continue to be impacted by the coronavirus pandemic. While revenue has declined since the onset of the pandemic, this has been managed by reducing staff costs where possible through the Government's Furlough scheme. The Company has an established and tested business continuity plan to ensure operations can withstand further interruptions. These plans are actively managed by the Company's leadership team at a national and local level.

The Company continues to monitor the impact of Brexit and believes itself to be protected from risk across customer and supplier contracts. The Company operate wholly in the United Kingdom.

Strategic Report for the 9-month period ended 31 December 2019 (continued)

Key performance indicators

The key operational performance indicators against which the directors manage the Company are workshop productivity, jobs completed to time and sales incremental contract value (ICV). Performance against these KPIs is tracked and discussed regularly. The key financial performance indicators are revenue and EBITDA (EBITDA is calculated as operating profit after adding back interest, depreciation and amortisation). Performance against these financial metrics for the 9 months ended 31 December 2019 were £145.1m (31 March 2019: £211.3m) and £2m (31 March 2019: £24.0m) respectively, with the reduction in EBITDA largely driven by higher operating lease costs following the decision to switch the funding of vehicle purchases away from capital expenditure.

EBITDA for period ended 31 December 2019 is calculated as follows:

	£000
Loss for the period	(21,510)
Deduct taxation credit	(1,815)
Add interest payable	(361)
Deduct interest receivable	(1,034)
Add depreciation	3,725
Add amortisation	1,744
Add exceptional expenses	21,247
EBITDA	**1,996**

By order of the Board

Mr Altaf Kara
for and on behalf of Rivus Fleet Solutions Limited

Company Secretary
23rd December 2020

Directors' report for the 9-month period ended 31 December 2019

The directors present their Report and the audited financial statements of Rivus Fleet Solutions Limited for the 9-month period ended 31 December 2019.

Principal activities and future developments

The Company's principal activity is the provision of motor vehicle fleet services to fleet operators with the primary customer being BT plc. This activity includes vehicle leasing, fleet management, fleet maintenance services and accident management services. A primary focus of the directors is to steadily reduce revenue dependence on BT plc. Further details of future developments are given in the Strategic Report on page 1.

Employees

The Company is committed to involving employees in the business through a policy of communication and consultation. Arrangements have been established for the regular provision of information to all employees through briefings, staff conferences and well- established formal consultation procedures.

The Company is committed to its equal opportunities policies, which includes promoting training and career development for all employees. Full and fair consideration for all vacancies and opportunities will be given to men and women, people with disabilities and those from ethnic minorities, regardless of marital status, age, religion or sexual orientation. If members of staff become disabled, the Company continues employment wherever possible and arranges retraining. The policy is supported by a Code of Practice on harassment which recognises that all employees have the right to be treated with dignity and respect.

Environmental Reporting

Rivus Fleet Solutions operates in an environmentally conscious manner and have aligned a number of environmental business objectives to its strategic goals. Rivus Fleet Solutions is currently ISO 9001, 14001 and 18001 accredited.

Waste minimization has been the core environmental measure thus far, with two new measure coming into effect from 2020 of:

- Reduction in waste eliminating single use plastic bottles; and
- the reduction in water usage.

Directors' report for the 9-month period ended 31 December 2019 (continued)

In the 9 month period to the 31 December 2019, the business measured weight of waste which was recorded as follows:

PRODUCT	TOTALS (KG) 9 MONTH PERIOD ENDED DEC 2019
TYRES	16,208
OIL	183,775
OIL FILTERS	10,328,736
BRAKE FLUID	4,951
ANTIFREEZE	14,711
MIXED FUELS	4,920
OIL CONTAMINATED WASTE	17,808,000
PAINT / SOLVENTS	18,792
BATTERIES	324,050
COMMERCIAL SALVAGE	51,706

Results

The loss before taxation was a loss of £(23.3)m (March 2019: £19.6m profit). The credit for taxation was £1.8m (March 2019: £0.5m) which left a loss for the financial year of £(21.5)m (March 2019: £20.1m profit). As noted in the Strategic Report, the reduction in profitability is largely driven by exceptional expenses related to the sale of the business by the parent company BT and higher operating lease costs following the decision to switch the funding of vehicle purchases away from capital expenditure. Also the settlement of an intercompany loan between the Company and BT impacting the quantum of interest payments that contributed to profit before tax. Alongside this, the Company has adopted IFRS 16 which changes the recognition of rebates for vehicle purchases that were historically recognised on purchase as opposed to over the life of the vehicle use. These factors, together with a number of one-off restructuring costs have led to the presentation of a year on year deterioration, however the underlying performance of the business remains stable.

Dividends

An interim dividend of £181.2m was paid during the period (March 2019: £560m). The directors do not recommend the payment of a final dividend in respect of the 9-month period ended 31 December 2019 (March 2019: £Nil).

Financial instruments

Other than trade debtors and creditors that arise directly from its operations and intercompany funding, the Company does not hold any financial instruments. The Company has not entered into any hedging arrangements or derivative financial instruments. The main purpose of these financial instruments is to finance the Company's operations. Their existence exposes the Company to a number of financial risks.

The main risks arising are interest rate risk and credit risk. The directors review and agree policies for managing each of these risks that are summarised below. These policies are consistent with the prior year.

Directors' report for the year ended 31 December 2019 (continued)

Credit risk

The Company's principal financial assets are cash and trade debtors. The principal credit risk arises therefore from trade debtors.

In order to manage credit risk the directors set credit limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a risk basis in conjunction with debt ageing and collection history.

Interest rate risk

The Company finances its operations through a mixture of retained profits and debt factoring funding arrangements. The Company's exposure to interest rate fluctuations is managed by the use of fixed and floating facilities.

Company policy throughout the period has been to manage this risk through the day-to-day involvement of management in business decisions designed to minimise the Company's borrowings.

Directors

The directors of the Company who were in office during the period and up to the date of signing the financial statements, unless otherwise stated were:

HJS Brace (Resigned 31st December2019)
CP Wides (Resigned 30th September 2019)
NA Hale (Resigned 31st May 2019)
S Wunderlich (Appointed 4th November 2019, Resigned 20th November 2019)
M Zuther (Appointed 30th September 2019, Resigned 1st December 2020)
MA Scheidler (Appointed 1st February 2020)
D Myers (Appointed 1st December 2020)

Directors' report for the 9-month period ended 31 December 2019 (continued)

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of a Directors' and Officers' liability insurance, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity, purchased by BT Group plc and applicable to the directors of BT Fleet Limited, was in force throughout the last financial year and up to 30th September 2019. Rivus Fleet Solutions Limited then purchased its own insurance through RSA which commenced on 1st October 2019 and is currently in force. Neither the insurance nor the indemnity provides cover where the person has acted fraudulently or dishonestly.

Statement of directors' responsibilities in respect of S172 of the Companies Act 2006

The directors exercise their duty to promote the success of the Company for the benefit of its members as a whole in accordance with section 172(1)(a) to (f) Companies Act 2006.

Our stakeholders

The directors consider that the following groups are the Company's key stakeholders:

- Aurelius Gamma Limited (the Parent Company).
- BT and other customers;
- Employees;
- Suppliers.

The Board seeks to understand the respective interests of such stakeholder groups so that these may be properly considered in the Board's decisions. We do this through various methods, including: direct engagement by Board members; receiving reports and updates from members of management who engage with such groups; and coverage in our Board meetings of relevant stakeholder interests with regard to proposed courses of action. Additionally, the Board takes active steps to ensure that the suggestions, views and interests of the workforce are captured and considered in our decision-making through regular engagement and employee surveys.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report 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 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

Directors' report for the 9-month period ended 31 December 2019 (continued)

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 101, 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 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.

The directors 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.

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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.
- KPMG LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be reappointed as auditor.

The directors' report on pages 4 to 8 was approved by the Board of directors on 23rd December 2020 and was signed by its order.

Mr Altaf Kara
for and on behalf of Rivus Fleet Solutions Limited
Company Secretary
23rd December 2020

Registered Office

Aquarius Building
4520 Solihull Parkway

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVUS FLEET LIMITED

Opinion

We have audited the financial statements of Rivus Fleet Solutions Limited ("the company") for the 9-month period ended 31 December 2019 which comprise the statement of comprehensive income, balance sheet, and statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7 the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

David Mitchell (Senior Statutory Auditor)
for an on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
23rd December 2020

Statement of comprehensive income for the 9-month period ended 31 December 2019

	Note	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Turnover	4	145,063	211,345
Cost of sales		(133,731)	(187,567)
Gross profit		11,332	23,778
Administrative expenses		(15,911)	(20,008)
Other operating income	5	1,828	8,809
Operating (loss) / profit prior to exceptional costs		(2,751)	12,579
Exceptional expenses	6	(21,247)	-
Operating (loss) / profit	5	(23,998)	12,579
Interest receivable and similar income	7	1,034	7,033
Interest payable		(361)	-
(Loss) / profit before taxation		(23,325)	19,612
Tax on (loss) / profit	10	1,815	461
(Loss) / profit for the financial period		(21,510)	20,073
Other comprehensive income		-	-
Total comprehensive (expense) / income for the period		(21,510)	20,073

All results derive entirely from continuing activities. The notes on pages 15 to 34 form an integral part of these financial statements.

Balance sheet as at 31 December 2019

	Note	31 December 2019 £'000	31 March 2019 £'000
Non-current assets			
Intangible assets	11	7,624	8,493
Tangible assets	12	3,506	40,892
Right of Use assets	13	40,417	-
Investments	14	641	641
Debtors	16	-	41,154
		52,188	91,180
Current assets			
Stocks	15	1,494	1,074
Debtors	16	78,500	198,511
Cash at bank and in hand		11,620	-
Deferred tax asset	19	682	-
		92,296	199,585
Creditors: amounts falling due within one year	17	(82,790)	(60,255)
Net current assets		9,506	139,330
Total assets less current liabilities		61,694	230,510
Creditors: amounts falling due after one year	18	(34,987)	-
Provisions for liabilities	19	-	(1,134)
Net assets		**26,707**	**229,376**
Equity			
Called up share capital	20	200	200
Share premium account		-	-
Retained earnings		26,507	229,176
Total equity		**26,707**	**229,376**

The notes on pages 15 to 34 form an integral part of these financial statements.

The financial statements on pages 12 to 34 were approved and authorised for issue by the Board of directors on 23rd December 2020 and were signed on its behalf by

Michael Scheidler

Director
Rivus Fleet Solutions Limited
Registered number 04383521

	Called up share capital £'000	Share premium account £'000	Retained earnings £'000	Total equity £'000
At 1 April 2018	200	259,511	509,229	768,940
Profit and total comprehensive income for the financial year			20,073	20,073
Dividends Paid	-	-	(560,000)	(560,000)
Share Premium Reduction		(259,511)	259,511	-
Share based payments	-	-	363	363
At 31 March 2019	**200**	**-**	**229,176**	**229,376**
At 1 April 2019	200	-	229,176	229,376
Loss and total comprehensive income for the financial period	-	-	(21,510)	(21,510)
Dividends paid	-	-	(181,159)	(181,159)
At 31 December 2019	**200**	**-**	**26,507**	**26,507**

Statement of changes in equity for the 9-month period ended 31 December 2019

Notes to the financial statements for the 9-month period ended 31 December 2019

1 General Information

Rivus Fleet Limited ("the Company") provides motor vehicle fleet services to fleet operators with the primary customer being BT plc. This activity includes vehicle leasing, fleet management, fleet maintenance services and accident management services.

The Company is a private company, limited by shares, and is incorporated and domiciled in the UK. The address of its registered office is Aquarius, 4520 Solihull Parkway, Birmingham, B37 7YN.

2 Basis of preparation and accounting policies

Preparation of the financial statements

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.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101), which involves the application of International Financial Reporting Standards (IFRS) with a reduced level of disclosure.

The financial statements have been prepared on the going concern basis, under the historic cost convention and in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 (Reduced Disclosure Framework). The preparation of financial statements in accordance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of complexity, or areas involving assumptions and estimates are disclosed in note 3 to these financial statements.

These financial statements are separate financial statements. The Company is exempt, by virtue of s400 of the Companies Act 2006, from the requirement to prepare and deliver consolidated financial statements because it is included in the group financial statements of Aurelius Equity Opportunities SE & CO KGAA. The group financial statements of Aurelius Equity Opportunities SE & CO KGAA are available to the public and can be obtained as set out in note 22.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Exemptions
As permitted by FRS 101, the Company has taken advantage of available disclosure exemptions. The following exemptions have been taken:

- The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payments (details of the number and weighted-average exercise price of share options, and how the fair value of goods or services received was determined)
- The requirements of IFRS 7 Financial Instruments: Disclosures.
- The requirements of IAS 7 Statement of Cash Flows.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures (key management compensation).
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  (i) paragraph 79(a)(iv) of IAS 1 'Presentation of Financial Statements';
  (ii) paragraph 73(e) of IAS 16 'Property, Plant and Equipment'.
- The following paragraphs of IAS 1 'Presentation of Financial Statements':
  – 10(d) (statement of cash flows);
  – 16 (statement of compliance with all IFRS);
  – 38A (requirement for minimum of two primary statements including cash flow statements);
  – 38B-D (additional comparative information);
  – 111 (cash flow statement information); and
  – 134 to 136 (capital management disclosures).

The Company intends to continue to take advantage of these exemptions in future years.

Where required, equivalent disclosures have been given in the consolidated financial statements of Aurelius Equity Opportunities SE & CO KGAA.

New and amended accounting standards effective during the year
IFRS 16 was published in January 2016 and became effective for the Company on 1 April 2019, replacing IAS 17 'Leases'. The Standard requires lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset is of low value. The Company has applied IFRS 16 Leases for the first time in the period using the modified retrospective approach and therefore the comparative information has not been restated. On transition to IFRS 16, the Group recognised additional right-of-use assets and lease liabilities. These are in relation to vehicle assets used for collection and delivery purposes and within the internal company car scheme

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Accounting Policies

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

Going Concern

The directors have prepared the financial statements on a going concern basis which they consider to be appropriate for the following reasons.

The company held cash at bank as at 31 December 2019 of £11,620,000 and had net assets at the same date of £26,707,000. Following the acquisition of the company by 172
, the Company entered into a three-year invoice discounting facility arrangement with Leumi ABI Limited, and the Company funds its operations through this facility and the cash it generates from its operations. As at 30 November 2020, the company had cash at bank of £3,857,039.39 (unaudited).

The Company continued to trade during the lockdowns enforced on the UK as a result of the COVID-19 pandemic and whilst there was a reduction in the level of volumes undertaken, this was not a significant reduction. The Company's customer base it largely driven by large utility companies who have not been significantly impacted by the pandemic.

Management have prepared a base case cash flow forecast for the period ending 31 December 2021 which has been used as their basis of assessing the going concern basis of preparation. They have also prepared a worst-case scenario that assumes the only income earned during that period, is that governed by the agreement in place with British Telecommunications plc and that the business incurs costs in line with current levels with no mitigating actions taken by management. Whilst the agreement with Leumi can technically be recalled given six months' notice, the directors have assumed the facility will remain in place throughout the full period under consideration.

Both the base case forecast, and the worst case show that the company will maintain sufficient cash funds to continue to trade. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due and for at least 12 months from the date of approval of these financial statements. They have therefore prepared the financial statements on a going concern basis.

Lease Accounting

The Company procures vehicles and equipment for onward lease to customers. Such items are purchased either through outright purchase or externally funded lease arrangements. The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys the right to use the asset.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Where an item is purchased it is accounted for as a fixed asset. Where an item is procured via an externally funded arrangement that conveys the right to use an asset, it is accounted for as a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group used the definition of a lease in IFRS 16.

Rivus Fleet as a lessee
From 1st April 2019 all leases are accounted for under IFRS16.

The Company recognises a right-of-use asset and a lease liability at the commencement of the lease. The right-of-use asset is initially measured at cost and subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, and subsequently at amortised cost using the effective interest method. See note 13 for further disclosures relating to the adoption of the standard.

Rivus Fleet as a lessor
Vehicles and equipment leases to customers in which a significant portion of the risks and rewards of ownership are retained by the Company are classified as operating leases and held as Tangible fixed assets. Operating lease income is accounted for on a straight line basis over the period of the lease term, with any rental increases recognised during the period to which they relate.

Vehicles and equipment leases to customers in which substantially all the risks and rewards of ownership are passed on the customer are classified as finance leases. Finance lease transactions are recognised as receivables at an amount equal to the Company's net investment in the finance lease which is represented by the minimum future lease rentals less gross earnings allocated to future periods. Finance lease income is recognised over the primary period of the lease so as to produce a constant rate of return on the Company's net investments.

Revenue
Revenue, which excludes value-added tax and other sales taxes, comprises the value of services provided and is recognised in line with the requirements of IFRS15. The nature of goods and services sold relates to fleet management, servicing, maintenance and repair of vehicles. Income is accrued on a monthly basis to reflect the value of income earned but not invoiced in each period owing to the incidence of the monthly billing process.

Income from leases is recognised dependent on the lease type as described above.

Income from fleet management services is recognised over the period of the contract based on the level of work performed.

Refunds or additional repair work if appropriate is offered to a customer if deemed necessary by Rivus mechanics following a failure in repair work.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Other operating income

Other operating income represents the net profit from sale and operating leaseback transactions. Where a sale and leaseback transaction is established at fair value, any profit or loss is recognised immediately in the income statement. Where a sale and leaseback transaction is established at above fair value, the excess profit over fair value is deferred and amortised over the term of the lease. Where a sale and leaseback transaction is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by future lease payments at below market price, in which case it is deferred and amortised in proportion to the lease payments over the term of the lease. Whether a transaction is established at fair value is a key management judgement as noted in note 3.

Share-based payments

The previous ultimate parent undertaking, BT Group plc, operated a number of equity settled share-based arrangements, as detailed in note 24 to the BT Group plc consolidated financial statements, under which the Company receives services from employees as consideration for equity instruments (share options and shares) of BT Group plc. This arrangement was in place until BT divested the Company on 30th September 2019.

Equity settled share-based payments were measured at fair value at the date of grant excluding the effect of non market-based vesting conditions but including any market-based performance criteria and the impact of non-vesting conditions (for example the requirement for employees to save). The fair value determined at the grant date was recognised as an expense on a straight line basis over the vesting period, based on the Company's estimate of the options or shares that would eventually vest and adjusted for the effect of non market-based vesting conditions. Fair value was measured using either the Binomial options pricing model or Monte Carlo simulations, whichever was most appropriate to the share-based payment arrangement.

Service and performance conditions are vesting conditions. Any other conditions are non-vesting conditions which have to be taken into account to determine the fair value of equity instruments granted. In the case that an award or option does not vest as a result of a failure to meet a non-vesting condition that is within the control of either counterparty, this wass accounted for as a cancellation. Cancellations are treated as accelerated vesting and all remaining future charges are immediately recognised in the profit and loss account. As the requirement to save under an employee sharesave arrangement is a non-vesting condition, employee cancellations are treated as an accelerated vesting.

Awards that lapse or are forfeited result in a credit to the profit and loss account (reversing the previously recognised charges) in the year in which they lapse or are forfeited.

Following BT divestment, from 1st October 2019 the Company no longer operates or participates in any share-based payment arrangements.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost, net of any accumulated depreciation, and any impairment charges. On disposal of tangible fixed assets, the difference between the sale proceeds and the net book value at the date of disposal is recorded in administrative expenses in the income statement. In the case of any indicators of impairment, management review the net book value of the Company's tangible fixed assets to ensure they are held at the higher of cost less accumulated depreciation and recoverable value.

Depreciation is provided on tangible fixed assets on a straight line basis from the time the asset is available for use, to write off the asset's cost over the estimated useful life taking into account any expected residual value. Freehold land is not depreciated.

The lives assigned to significant tangible assets are:

	Years
Motor vehicle and motor vehicle assets held for operating leases:	
Light commercial vehicles	1 to 7
Specialist commercial vehicles	5 to 14
Cars	1 to 4
Plant and machinery	1 to 5

Intangible fixed assets and amortisation

Software comprises computer software licenses purchased from third parties, and also the cost of internally developed software. Computer software licenses purchased from third parties are initially recorded at cost. Costs directly associated with the development of internally generated software, including direct and indirect labour costs of development, are capitalised as an intangible asset on the balance sheet only where it is probable that the software will generate future economic benefits, the cost of the asset can be reliably measured and technical feasibility can be demonstrated. Costs which do not meet these criteria are expensed as incurred.

Amortisation is provided on intangible fixed assets on a straight line basis from the time the asset is available for use, to write off the asset's cost over the estimated useful life.

The lives assigned to intangible assets are:

	Years
Software	3

Investments

Investments in subsidiaries are accounted for at cost less, where appropriate, allowances for impairment. Where there are any indicators of impairment, management will review the carrying value of the investment to ensure it does not exceed the recoverable amount.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

Stocks
Stocks mainly comprise items of motor parts and consumable items. They are stated at the lower of cost, including appropriate overheads, and estimated net realisable value, after provisions for obsolescence.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Pension schemes and other post-retirement benefits
Over the reporting period, the Company participated in a number of pension schemes, including the BT Retirement Saving Scheme (BTRSS), the BT Pension Scheme (BTPS) and the Rivus Group Flexible Retirement Plan (RGFRP).

BTRSS
The BTRSS is a contract-based defined contribution pension scheme operated by Standard Life. The pension cost charged to the income statement reflects contributions payable by the Company over the reporting period.

BTPS
The BTPS is a defined benefit plan operated by BT plc that was closed to new entrants on 31 March 2001 and to future benefit accrual on 30 June 2018. Employees affected by the closure have been able to join the BTRSS for future pension accrual from 1 July 2018. Non-management employees impacted by the closure who remain employed within BT Group by the Company are also eligible to join a new hybrid pension arrangement, the BT Hybrid Scheme, between 1 April 2019 and 30 September 2019. This new arrangement combines elements of both defined benefit and defined contribution pension schemes.

The assets of BTPS are held in a separate trustee administered fund. The Company has historically been unable to identify its share of the underlying assets and liabilities of the BTPS and any therefore any surplus/deficit has been accounted for by BT plc. In July 2018, the Company entered into a Flexible Apportionment Arrangement which transferred the all Company's liabilities in respect of past obligations the BTPS to BT plc.

Further details relating to the BTPS are set out in BT plc's financial statements.

RGFRP
In place since the date of divestment from BT plc, this scheme is available to existing and new employees. The RGFRP is a contract-based defined contribution pension scheme operated by Standard Life. The pension cost charged to the income statement reflects contributions payable by the Company over the reporting period.

Pension cost over the reporting period

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

2 Basis of preparation and accounting policies (continued)

The pension charge for the year was £2.1m (2019: £4.1m). At the year end, the amount due to be paid by the Company in connection with pension contributions for the year was £0.4m (2019: £0.4m). The amount was settled during January 2020.

Current tax
Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax
Deferred tax is recognised using the liability method, in respect of temporary differences between the carrying amount of the Company's assets and liabilities and their tax base. A deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised.

Deferred tax is determined using tax rates that are expected to apply in periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax balances are not discounted.

3 Critical accounting estimates and key judgements

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements in these financial statements are as follows:

Lease classifications
The directors are required, in determining lease classifications, to assess if substantially all of the risks and rewards of ownership of the asset rest with the Company or the counterparty. Lease arrangements often contain clauses, some of which appear to give certain risks/rewards to the Company and others to the counterparty.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

3 Critical accounting estimates and key judgements

When entering into agreements with third party funders careful consideration must be given as to whether the Company is acting as a disclosed agent or in a principal capacity.

In the opinion of the directors in relation to the contract in place with third party funders and BT plc until 30th September 2019 the substance of the transaction is that the Company was acting in a Principal capacity as it had rights and performance obligations associated with the services provided to BT plc. Accordingly, in line with the requirements of IFRS 15, the Company has recognised the gross value of transactions, to reflect the substance of the rights and performance obligations of the Company.

Following the signing of new agreement in September 2019 which altered the business model, the directors have undertaken an assessment as to the substance of this contract. In their opinion Rivus is acting as a disclosed agent and accordingly the transactions have been recognised on a net basis.

The key estimates made in these financial statements are as follows:

Useful lives for fixed assets
The annual depreciation and amortisation charge is sensitive to the estimated service lives allocated to each type of asset. Asset lives are assessed annually and changed when necessary to reflect current thinking on the remaining lives in light of any business changes and the physical condition of the assets concerned. The carrying values of fixed assets are disclosed in note 11 and 12. The useful lives applied to the principal categories of assets are disclosed in note 2.

Current and deferred income tax
The actual tax the Company pays on profits is determined according to complex tax laws and regulations. Where the effect of these laws and regulations is unclear, the Company uses estimates in determining the liability for the tax to be paid on our past profits which is recognised in the financial statements. The final determination of prior year tax liabilities could be different from the estimates reflected in the financial statements and may result in the recognition of an additional tax expense or tax credit in the financial statements.

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised, taking into account the expected timing and level of future taxable income.

Notes to the financial statements for the year ended 31 December 2019 (continued)

3 Critical accounting estimates and key judgements (continued)

Providing for doubtful debts

The Company provides services to business customers on credit terms. We know that certain debts due to us will not be paid through the default of a small number of our customers. Judgements are required in assessing the recoverability of overdue trade receivables and whether a provision for doubtful debts may be required. Estimates, based on our historical experience, are used in determining the level of debts that we believe will not be collected. These estimates include such factors as the current state of the economy and particular industry issues.

4 Turnover

All turnover derives from services provided within the United Kingdom.

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Revenue streams		
Income from operating leases	79,004	139,153
Income from finance leases	497	6,802
Income from fleet management services	65,562	65,030
	145,063	211,345

Rivus Fleet Solutions Limited sole geographical market is the United Kingdom, with garages in key areas across England, Wales & Scotland.

Income from fleet management services is subject to the requirements of IFRS15. Income from operating leases and finance leases is subject to the requirements of IFRS16.

Products and services are transferred to the customer at the point of completion of repair or service.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

5 Operating profit

Operating profit is stated after charging / (crediting)

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Stocks recognised as an expense in the year	49,454	69,952
Provision for impairment of stock (included in 'cost of sales')	77	(89)
Staff costs (see note 9)	31,278	39,620
Depreciation of tangible fixed assets (see note 12)	1,774	7,914
Amortisation of intangible fixed assets (see note 11)	3,725	4,676
(Profit)/loss on disposal of tangible fixed assets	(363)	331
Other operating income*	(1,828)	(8,089)
Auditors' remuneration; for statutory audit of the Company's financial statements **	100	51

*Other operating income represents the net profit from sale and operating leaseback transactions.

**No other remuneration for non-audit services was paid to the auditors (March 2019 £nil)

6 Exceptional items

On 1st October 2019 BT Fleet Limited was purchased by Aurelius Gamma Limited. As a result of this transaction there were a number of expenses incurred that were regarded as one-off or exceptional in nature specifically related to this transaction. These have been included in exceptional items within the financial statements. They relate to items incurred solely as a result of the sale, that will not recur.

	9-month period ended 31 December 2019 £'000
Exceptional Items	
Professional and legal fees	1,329
Transaction related write offs	9,114
Finance lease disposals	5,828
Intercompany charges	4,976
	21,247

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

7 Interest receivable and similar income

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Interest receivable and similar income	1,034	7,033

8 Directors' emoluments

Directors' emoluments for services attributable to Rivus Fleet:

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Aggregate emoluments	201	199
Pension	11	14

The emoluments of the highest paid director included above were £200,825 (2019: £199,022)

The emoluments of CP Wides and NA Hale were paid by the previous parent company (BT Plc). The emoluments of M Zuther were paid by the Aurelius Group. Their services to this Company were of a non-executive nature and their emoluments are deemed to be wholly attributable to services to the parent company. No amounts are charged or recharged to the Company for the services of these directors. Accordingly, the above details include no emoluments in respect of these directors.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

9 Employee information

The average monthly number of employees during the period was:

	9-month period ended 31 December 2019 Number	Year ended 31 March 2019 Number
Service and maintenance	651	673
Fleet management and administration	237	198
	888	871

Employment costs of all employees included above:

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Wages and salaries	26,590	31,957
Social security costs	2,507	3,188
Other pension costs	2,181	4,112
Share based payments	-	363
	31,278	39,620

10 Tax on profit

	9-month period ended 31 December 2019 £'000	Year ended 31 March 2019 £'000
Current tax:		
United Kingdom corporation tax on profit of the year at 19% (2019: 19%)	-	-
Deferred tax		
Origination and reversal of timing differences	(2,145)	(546)
Adjustment in respect of prior years	330	85
Total deferred taxation (note 17)	(1,815)	(461)
Tax credit on profit on ordinary activities	(1,815)	(461)

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

10 Tax on profit (continued)

Reconciliation of the total tax charge

The tax expense in the income statement for the year is different than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are reconciled below.

Profit on ordinary activities before taxation	(23,325)	19,611
Tax on profit multiplied by standard rate of corporation tax at 19% (2019: 19%)	(4,431)	3,726
Capital allowances and fixed asset adjustments	4,111	263
Income not taxable for tax purposes	(1,589)	-
Expenses not deductible for tax purposes	3,580	73
Group relief for nil payment	(1,640)	(4,608)
Temporary differences not recognised	(3,164)	-
Adjustment for prior years	330	85
Accounting adjustments and transfers	987	-
Total tax charge for the year	(1,816)	(461)

Factors that may affect future tax charges

A reduction in the UK Corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax liability as at 31 December 2019 has been calculated based on this rate.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge and deferred tax liability accordingly.

11 Intangible assets

	Software £'000
Cost	
As at 1 April 2019	21,100
Additions	2,857
Disposals	-
At 31 December 2019	23,957
Accumulated amortisation	
At 1 April 2019	(12,608)
Charge for the financial period	(3,725)
Disposals	-
At 31 December 2019	(16,333)
Net book amount as at 31 December 2019	7,624
Net book amount as at 31 March 2019	8,493

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

12 Tangible assets

	Plant and Machinery	Vehicles	Assets held for Operating Lease	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2019	10,642	9,916	62,448	9,612	92,618
Additions	621	-	-	992	1,613
AUC Transfer*	-	-	3,702	(3,702)	-
Finance Lease Transfer**	-	-	42,718	-	42,718
Disposals	-	(8,621)	(108,868)	(6,902)	(124,391)
At 31 December 2019	11,263	1,295	-	-	12,558
Accumulated depreciation					
At 1 April 2019	(7,103)	(8,365)	(36,258)	-	(51,726)
Charge for the financial year	(933)	(189)	(652)	-	(1,774)
Disposals	-	7,538	36,910	-	44,448
Finance Lease Transfer	-	-	-	-	-
At 31 December 2019	(8,036)	(1,016)	-	-	(9,052)
Net book amount as at 31 December 2019	3,227	279	-	-	3,506
Net book amount as at 31 March 2019	3,539	1,551	26,190	9,612	40,892

*Assets under Construction transfer consists of assets that were previously under construction now going into use and transferring to Assets held for Operating Lease category

**Finance Lease Transfer consists of assets that were previously being held under finance lease arrangements being transferred to Assets held for Operating Lease category following termination of finance lease arrangement.

Disposals in the year largely related to preparations for sale. Vehicles held on behalf of BT Plc were transferred prior to divestment.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

13 Right of Use Assets

	Vehicles	Land & Buildings	Total
	£'000	£'000	£'000
Cost			
At 1 April 2019	-	-	-
Additions on adoption of IFRS 16	5,285	-	5,285
Additions	78	38,851	38,929
Disposals	(2,088)	-	(2,088)
At 31 December 2019	3,275	38,851	42,126
Accumulated depreciation			
At 1 April 2019	-	-	-
Charge for the financial year	(1,193)	(957)	(2,150)
Disposals	441	-	441
At 31 March 2019	(752)	(957)	(1,709)
Net book amount as at 31 December 2019	2,523	37,894	40,417
Net book amount as at 31 March 2019	-	-	-

Vehicle leases were classified as operating leases under IAS17 and are additions following the adoption of IFRS16 on 1st April 2020.

New property leases for garages operated by Rivus Fleet Solutions were entered into on 1st October 2019 following the sale of the business by the former parent BT, and have been classified as ROU assets under IFRS16.

14 Investments

	Subsidiary undertaking £'000
Cost	
At 1 April 2019 and 31 December 2019	641
Net book amount as at 1 April 2019 and 31 December 2019	641

The Company holds 100% of the issued share capital of SEV Automotive and Plant Limited, a mobile vehicle maintenance and servicing business. SEV Automotive and Plant Limited is incorporated in the United Kingdom. The address of its registered office is Aquarius, 4520 Solihull Parkway, Birmingham, B37 7YN.

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

15 Stocks

	31 December 2019 £'000	31 March 2019 £'000
Raw materials and consumables	1,494	1,316
Stock provision	-	(242)
	1,494	1,074

16 Debtors

	31 December 2019 £'000	31 March 2019 £'000
Amounts falling due within one year:		
Trade debtors	46,421	11,390
Amounts owed by group undertakings	9,071	152,075
Other debtors	-	5,202
Net investment in finance leases	-	7,804
Prepayments and accrued income	23,008	22,040
Total debtors falling due within one year	78,500	198,511
Net investment in finance leases comprises:		
Total amounts receivable	-	13,211
Less: interest allocated to future periods	-	(5,407)
	-	7,804
Amounts falling due after more than one year		
Net investment in finance leases	-	41,154
Net investment in finance leases comprises:		
Total amounts receivable	-	51,468
Less: interest allocated to future periods	-	(10,314)
	-	41,154
Total debtors	**78,500**	**239,665**

Amounts receivable during the period under the finance leases amounted to £2.4m (March 2019: £14.5m). The cost of assets acquired during the period for onwards finance leasing was £Nil (March 2019: £10.3m).

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

17 Creditors amounts falling due within one year

	31 December 2019 £'000	31 March 2019 £'000
Amounts falling due within one year		
Trade creditors	20,152	21,069
Bank overdraft	-	260
Amounts owed to group undertakings*	26	631
Corporation taxes	-	-
Other taxation and social security	4,284	480
Accruals and deferred income	36,620	37,815
Invoice discounting facility**	16,672	-
Lease liabilities	5,036	-
Total creditors falling due within one year	82,790	60,255

*Amounts owed to group undertakings are unsecured and are not interest bearing.

**Amounts owed Invoice discounting facilities are secured against outstanding trade debtor balances and interest bearing at 1.95% above the 3 month rate Libor rate.

18 Creditors amounts falling due after one year

	31 December 2019 £'000	31 March 2019 £'000
Amounts falling due after one year		
Lease liabilities	34,987	-
Total creditors falling due after one year	34,987	-

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

19 Deferred tax asset

	Deferred taxation £'000
Balance at 1 April 2019	(1,134)
Credited to the income statement during the year	1,816
Balance at 31 December 2019	682

The deferred taxation asset results from the tax effect of timing differences as follows. There are no unrecognised deferred tax liabilities.

	31 December 2019 £'000	31 March 2019 £'000
Accelerated capital allowances	598	(1,249)
Pension provisions and other timing differences	84	115
Total deferred tax asset/(liability)	682	(1,134)

20 Called up share capital

	31 December 2019 £'000	31 March 2019 £'000
Allotted, called up and fully paid:		
200,001 (2019: 200,001) ordinary shares of £1 each	200	200

21 Contingent liabilities

At 31 December 2019 there were no contingent liabilities or guarantees other than those arising in the ordinary course of the Company's business and on these no material losses are anticipated (2019: nil).

Notes to the financial statements for the 9-month period ended 31 December 2019 (continued)

22 Controlling entities

The Company is a wholly-owned subsidiary of Aurelius Gamma Limited which is the immediate parent undertaking. The ultimate controlling entity is Aurelius Equity Opportunities SE & CO KGAA

The ultimate parent undertaking and the largest group of companies into which the results of the Company are consolidated is Aurelius Equity Opportunities SE & CO KGAA, a Company incorporated in Germany.

Prior to 30th September 2019 the Company was a wholly owned subsidiary of BT plc. Consequently the Company is exempt under the terms of IAS 24 "Related Party Disclosures" from disclosing details of transactions and balances with BT Group plc and fellow group subsidiaries provided such subsidiaries are wholly owned by BT Group plc during the year ended 31 December 2019. Copies of the financial statements of BT Group plc may be obtained from The Secretary, BT Group plc, 81 Newgate Street, London EC1A 7AJ. From 30th September the same exemptions apply to wholly owned subsidiaries of Aurelius Equity Opportunities SE & CO KGAA.

The parent undertaking of the smallest group of companies into which the results of the Company are consolidated is Aurelius Equity Opportunities SE & CO KGAA, a Company incorporated in Germany. Copies of the financial statements of Aurelius Equity Opportunities SE & CO KGAA are available from Aurelius Equity Opportunities SE & CO KGAA, Ludwig-Ganghofer-Strasse, 682031 Grunwald.