

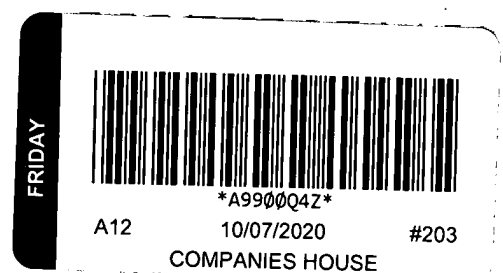
Company no. 06283287

INVU 2007 LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 JANUARY 2020



INVU 2007 LIMITED

FINANCIAL STATEMENTS

For the year ended 31 January 2020

Company registration number: 06283287

Registered office: Blisworth Hill Farm
Stoke Road
Blisworth
Northamptonshire
NN7 3DB

Directors: I Smith
S Evans
T Newman

Company secretary: I Smith

Bankers: Bank of Scotland plc
33 Old Broad Street
London
BX2 1LB

Auditors: Hawsons Chartered Accountants
Jubilee House
32 Duncan Close
Moulton Park Industrial Estate
Northampton
NN3 6WL

INVU 2007 LIMITED

FINANCIAL STATEMENTS

For the year ended 31 January 2020

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INVU 2007 LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 January 2020

The directors present their report together with financial statements for the year ended 31 January 2020.

Principal activities

The company is principally engaged in the design and sale of computer software for the electronic management of information.

The ultimate parent company is Invu plc, a company incorporated in England and Wales.

Directors

The membership of the Board during the year is set out below.

S Evans
T Newman
I Smith

Research and development

The company expenditure on research and development in the year was £402,293 (2019 - £334,073). Development expenditure of £92,157 was capitalised in the financial year ended 31 January 2020 (2019 - £70,288).

Qualifying third party indemnity provisions

The company has put in place qualifying third party indemnity provisions for all of the directors of Invu 2007 Limited.

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INVU 2007 LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

For the year ended 31 January 2020

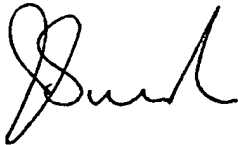
Statement of disclosure to the statutory auditor

So far as the directors are aware:

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

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

ON BEHALF OF THE BOARD



.....
I Smith
Secretary
6 July 2020

INVU 2007 LIMITED

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF INVU 2007 LIMITED

For the year ended 31 January 2020

Opinion

We have audited the financial statements of Invu 2007 Limited (“the Company”) for the year ended 31 January 2020 which comprise Profit and loss account, Balance sheet and Statement of changes in equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 January 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INVU 2007 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVU 2007 LIMITED (CONTINUED)

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Burkimsher (Senior Statutory Auditor)

6 July 2020

For and on behalf of Hawsons Chartered Accountants,

Statutory Auditor

Jubilee House, 32 Duncan Close, Moulton Park Industrial Estate, Northampton, NN3 6WL

INVU 2007 LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31 January 2020

		2020	2019
	Note	£	£
Turnover	2	272,535	359,639
Cost of sales		-	-
Gross profit		272,535	359,639
Administrative expenses		(1,809,906)	(1,671,725)
Other operating income (wages recharged)	3	1,396,112	1,316,644
Operating (loss)/profit	2	(141,259)	4,558
Other interest receivable		-	-
(Loss)/profit before tax		(141,259)	4,558
Tax	4	35,908	-
(Loss)/profit for the financial year		105,351	4,558

There was no other comprehensive income in the current or prior year other than (loss)/profit for the financial year.

There were no recognised gains and losses in the current year or prior year.

The accompanying accounting policies and notes on pages 8 to 14 form an integral part of these financial statements.

INVU 2007 LIMITED

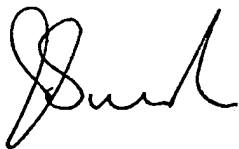
COMPANY NUMBER: 06283287

BALANCE SHEET

As at 31 January 2020

	Note	2020	2019
		£	£
Fixed assets			
Investments	5	4,000,000	4,000,000
Intangible assets	6	198,887	178,016
		<u>4,198,887</u>	<u>4,178,016</u>
Current assets			
Cash at bank		11,319	13,410
		<u>11,319</u>	<u>13,410</u>
Creditors: amounts falling due within one year	7	(1,358,138)	(1,264,007)
Net current liabilities		(1,346,819)	(1,250,597)
		<u>2,852,068</u>	<u>2,927,419</u>
Capital and reserves			
Called up share capital	8	965,547	965,547
Share premium	9	24,389,705	24,389,705
Capital contribution reserve	9	100,680	70,680
Retained earnings		(22,603,864)	(22,498,513)
Shareholders' funds		<u>2,852,068</u>	<u>2,927,419</u>

The financial statements were approved by the Board of Directors and authorised for issue on 6 July 2020



.....
I Smith
Director

The accompanying accounting policies and notes on pages 8 to 14 form an integral part of these financial statements.

INVU 2007 LIMITED**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 January 2020

	Share Capital	Share premium	Capital Contribution reserve	Retained earnings	Total
At 1 February 2018	965,547	24,389,705	40,680	(22,503,071)	2,892,861
Total comprehensive income	-	-	-	4,558	4,558
Movement on capital contribution reserve	-	-	30,000	-	30,000
At 31 January 2019	965,547	24,389,705	70,680	(22,498,513)	2,927,419
	Share Capital	Share premium	Capital Contribution reserve	Retained earnings	Total
At 1 February 2019	965,547	24,389,705	70,680	(22,498,513)	2,927,419
Total comprehensive income	-	-	-	(105,351)	(105,351)
Movement on capital contribution reserve	-	-	30,000	-	30,000
At 31 January 2020	965,547	24,389,705	100,680	(22,603,864)	2,852,068

The accompanying accounting policies and notes on pages 8 to 14 form an integral part of these financial statements.

INVU 2007 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2020

1 ACCOUNTING POLICIES

Invu 2007 Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The Company's functional and presentational currency is GBP.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in applying the Company's accounting policies.

Reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29

This information is included in the consolidated financial statements of Invu plc and these financial statements may be obtained as described in note 11.

The principal accounting policies of the company are set out below.

Going Concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future.

Invu 2007 Limited is a subsidiary of Invu plc and, as finances are raised on a group basis, the company's ability to continue in operational existence is dependent on whether adequate finance is available from Invu plc. The company has received confirmation from Invu plc that they will provide such financial support.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in accordance with the Company's principal activity, the provision of software licences and support provided to a subsidiary, Invu Services Limited, net of VAT and trade discounts.

Revenues from the sale of software licences are recognised upon shipment of the licensed software.

Revenues for the provision of services are recognised when the services are delivered.

INVU 2007 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 January 2020

Intangible fixed assets

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

Investments

Investments in subsidiary undertakings are included at cost less impairment charges in the Company's financial statements.

Financial assets

Short term debtors are measured at transaction price less any impairment.

Financial liabilities and equity

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

Share-based payments

The Company issues equity settled share based payments, utilising the shares of its parent Invu plc, to certain employees. Equity settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the best estimate of the number of shares that will eventually vest.

Fair value is measured by use of a binomial lattice pricing model. The expected life used in the model has been adjusted based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

The expense arising each year from share based payments is charged to administrative expenses.

Retirement benefit costs

The Company operates a contracted in money purchase pension scheme. Contributions are charged to the administrative expenses as they become payable in accordance with the rules of the schemes.

INVU 2007 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 January 2020

Current and deferred taxation

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 or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

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

Deferred tax balances are not recognised in respect of permanent differences.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about net book amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Material estimates and assumptions are made in particular with regard to share based payments and the capitalisation of internally generated intangibles.

2 TURNOVER & OPERATING (LOSS)/PROFIT

Turnover is derived wholly from transactions in the United Kingdom and arises from the design of computer software for the electronic management of information.

The operating profit is stated after charging/(crediting):	2020	2019
	£	£
Research and development (including wages and salaries)	402,293	334,073
Depreciation and amortisation:		
Intangible fixed assets	71,286	31,434
Audit fee	2,250	-
Share option charge	30,000	30,000

Audit fees were borne by a subsidiary company, Invu Services Limited in 2019.

INVU 2007 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 January 2020

3 DIRECTORS AND EMPLOYEES AND OTHER OPERATING INCOME

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,496,936	1,385,115
Social security costs	171,699	163,130
Pension costs	45,167	27,918
Capitalised development labour	(92,157)	(70,288)
Share option expense	30,000	30,000
	<u>1,651,645</u>	<u>1,535,875</u>

During the year £1,396,112 (2019: £1,316,644) was recharged to a sister company, Invu Services Limited, for the services provided by certain staff of Invu 2007 Limited. This amount is included in other operating income.

At 31 January 2020 there were outstanding pension contributions of £nil (2019: £5,147). The Company provided no post-retirement benefits to its employees.

The average number of persons, including executive directors, employed by the company during the year was:

	2020	2019
Development	8	7
Recharged to Invu Services Limited	<u>22</u>	<u>21</u>
	<u>30</u>	<u>28</u>

Remuneration in respect of directors was as follows:

	2020 £	2019 £
Emoluments	471,559	461,376
Company pension contribution	12,935	8,938
Share option costs	<u>22,252</u>	<u>22,252</u>
	<u>506,746</u>	<u>492,566</u>

There were 3 directors in the company's defined contribution pension scheme (2019: 3) during the year. No director exercised any share options in either the current or prior year.

Emoluments of the highest paid director were £198,000 (2019: £194,000). Pension contributions totalling £4,343 (2019: £2,672) were paid by the company on their behalf.

INVU 2007 LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 January 2020

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2020 £	2019 £
<i>UK Corporation Tax</i>		
Tax charge arising in the current year	-	-
Tax credits relating to prior years	(35,908)	-
Tax on profit on ordinary activities	<u>(35,908)</u>	<u>-</u>
	2020 £	2019 £
<i>UK Corporation Tax</i>		
(Loss)/Profit on ordinary activities before tax	<u>(141,259)</u>	<u>4,558</u>
(Loss)/Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 19%	(26,839)	866
Effect of:		
Expenses not deductible	-	92
Expense credits not taxable	(464)	(2,850)
Timing differences in respect of capitalised fixed assets	13,544	4,442
Tax effects of share options	5,700	5,700
Research and development enhanced deduction	(15,031)	(22,095)
Tax credits relating to prior years	(35,908)	-
Unutilised losses carried forward	23,090	13,845
Total tax charge for the current year	<u>(35,908)</u>	<u>-</u>

Unrelieved tax losses of approximately £1.9 million (2019 - £1.9 million) remain available to offset against future taxable trading profits. No deferred tax asset has been recognised in respect to this as the future utilisation of these tax losses is uncertain.

5 INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 February 2019 and 31 January 2020	<u>29,899,371</u>
Provisions	
At 1 February 2019 and 31 January 2020	<u>25,899,371</u>
Net book value at 31 January 2020	<u>4,000,000</u>
Net book value at 31 January 2019	<u>4,000,000</u>

INVU 2007 LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 January 2020

5 INVESTMENTS (CONTINUED)

At 31 January 2020 the company held 20% or more of the equity of the following subsidiary undertakings:

Name of subsidiary	Country of registration or incorporation	Shares held and voting power held by Invu 2007 Ltd	Shares held and voting power held by the group	Principal activity
Invu (UK) plc	England and Wales	100%	-	Holding company
Invu Services Limited	England and Wales	-	100% Ordinary shares	Software and related services, design and sales
Invu International Holdings Limited	England and Wales	-	100% Ordinary shares	Holds intellectual property rights
Invu Netherlands BV	The Netherlands	-	100% Ordinary shares	Non trading

All principal trading subsidiary undertakings operate in their country of incorporation.

The registered office of all of the subsidiaries is the same as for Invu 2007 Limited.

These accounts are not consolidated as per note 1 of the financial statements, as all of the subsidiary undertakings have been consolidated in the Invu plc Group financial statements.

6 INTANGIBLE FIXED ASSETS

	Development costs £
Cost	
At 1 February 2019	513,277
Additions	92,157
At 31 January 2020	605,434
Amortisation	
At 1 February 2019	335,261
Charge for the year	71,286
At 31 January 2020	406,547
Net book amount at 31 January 2020	198,887
Net book amount at 31 January 2019	178,016

INVU 2007 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 January 2020

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	-	-
Amounts owed to group undertakings	1,226,717	1,077,452
Social security and other taxes	46,423	44,086
Accruals and deferred income	54,695	112,166
Corporation tax	30,303	30,303
	<u>1,358,138</u>	<u>1,264,007</u>

8 SHARE CAPITAL

	2020 £	2019 £
Allotted, called up and fully paid up ordinary shares of 1p each	<u>965,547</u>	<u>965,547</u>

9 RESERVES

The Share Capital reserve relates to the nominal amount of issued ordinary shares.

The Share Premium reserve relates to excess consideration received in respect of the issue of ordinary shares over and above the par value. The reserve is non-distributable.

The capital contribution reserve relates to where value has been transferred to the Company by the ultimate parent, Invu plc, arising from the issue of share options in Invu plc to employees of this company.

10 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Invu plc, the company is exempt from the requirements of FRS 102 to disclose transactions with other members of the group headed by Invu plc.

The directors are considered to be key management personnel. The total compensation recharged for their services to Invu Services Limited was £484,494 (2019 £470,314).

There were no other related party transactions in the year.

11 CONTROLLING PARTY

The parent undertaking of this company is Invu plc, incorporated in England and Wales.

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Invu plc, incorporated in England and Wales. Copies of the group accounts can be obtained at Companies House, Crown way, Cardiff, CF14 3N7