

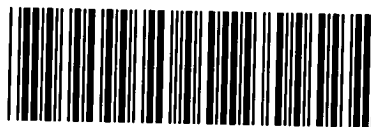
# InMotion Ventures Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

Registered number: 10070632

For the year ended 31 March 2020

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COMPANIES HOUSE

## **Directors and Advisors**

### **Directors**

F. Brautigam  
R. Freeman  
I. Harnett  
H. Kirner  
L. Klawitter  
F. Ludwig  
S. A. Peck

### **Company secretary**

H. Cairns

### **Registered office**

Abbey Road  
Whitley  
Coventry  
CV3 4LF  
United Kingdom

### **Independent auditor**

KPMG LLP  
One Snowhill  
Snow Hill Queenway  
Birmingham  
B4 6GH  
United Kingdom

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## Strategic report

The directors present their Strategic report for InMotion Ventures Limited ("the Company") for the year ended 31 March 2020.

### Principal activity

The Company's principal activity during the period was investing in early stage companies in the mobility and travel service sectors. Its Venture Capital team invests globally at all stages of maturity in companies that create better ways to travel and re-imagine the future of vehicle ownership. Alongside this the Company continues to invest in its London-based business development team, collaborating with the wider Jaguar Land Rover business to develop products and services that deliver great experiences for both new and existing customers.

### Business review

#### Key 2019/20 successes and future developments

The Company continued to increase its core investment activity in early stage businesses and progressed in the development and growth of a number of proprietary service operations.

During the year the Company invested \$1,500,000 in Voyage, a US-based autonomous vehicle company, \$1,000,000 in Apex.AI, a software framework developer for autonomous vehicles, and £769,000 in FATMAP, a UK platformer developer creating 3D maps of the world. In total the Company invested in four new companies and made follow-on investments in six companies within the existing portfolio.

The Company also progressed in the incubation and development of proprietary service offerings in the premium car rental, car subscription, chauffeuring and short-term car insurance sectors through its 100%-owned subsidiaries.

During 2020/21 the Company will continue to expand its investment activities, service development and collaborations.

#### Key performance indicators

The directors consider that in the early stages of the Company's lifecycle, the Company's Key Performance Indicators (KPIs) are its profit or loss before tax, and long-term investment value growth given the Company's principal activity.

The Company's loss before tax for the year was £37,528,000 (2019: profit of £19,371,000).

As at 31 March 2020, the Company has a portfolio of investments in early stage and start-up companies of £36,728,000 (2019: £63,623,000) at fair value.

The Company's activities were primarily financed through an intercompany loan from its immediate parent company, Jaguar Land Rover Limited, the balance of which stood at £61,691,000 as of 31 March 2020 (2019: £51,691,000).

## Strategic report (continued)

### Principal risks and uncertainties

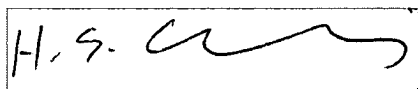
The directors evaluate the Company's risks on a regular basis. The principal risks that the Company is exposed to and uncertainties facing the Company are considered to be the following:

- Market price risk
- Currency risk
- Interest rate risk
- Concentration risk
- Credit risk
- Liquidity risk
- Capital management

The directors have established a risk and financial management framework whose primary objective is to protect the Company from events that hinder the achievement of the Company's performance objectives, being to generate attractive risk-adjusted returns and develop innovative new mobility services.

These objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a Company level. Details of the Company's associated risk policies are found in note 19.

Approved by the Board of Directors and signed on behalf of the Board by:



H.S Cairns  
Company Secretary

26 June 2020

### Registered Address

Abbey Road  
Whitley  
Coventry  
CV3 4LF  
United Kingdom

## Directors' report

The directors present their directors' report and the audited financial statements for the Company for the year ended 31 March 2020.

### Background and general information

The Company was incorporated on 18 March 2016 and is domiciled in England as a private limited company. The address of its registered office is Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.

### Results

The income statement shows a loss after tax for the financial year of £33,959,000 (2019: profit of £16,620,000).

### Dividends

The directors do not propose a dividend for the year ended 31 March 2020 (2019: £nil).

### Directors

The directors who held office during the year and to the date of this report unless otherwise stated are as follows:

F. Brautigam (appointed 15 October 2019)  
R. Freeman (appointed 12 December 2019)  
I. Harnett  
H. Kirner  
L. Klawitter  
F. Ludwig (appointed 15 August 2019)  
M. D. Newman (resigned 12 December 2019)  
S. A. Peck  
N. M. Rogers (resigned 15 July 2019)

### Directors' indemnities

The Company's parent company, Jaguar Land Rover Automotive PLC, maintained director's liability insurance for all directors during the financial period and subsequently.

### Going concern

The directors have completed a going concern assessment for the Company for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds through funding from its intermediate parent company, Jaguar Land Rover Automotive PLC, to meet its liabilities as they fall due for that period.

The going concern assessment for the Company is dependent on Jaguar Land Rover Automotive PLC not seeking repayment of the amounts currently due, directly or indirectly, to the group and providing additional financial support during that period. See note 21 for the breakdown of asset and liability positions with fellow group undertakings at 31 March 2020. Jaguar Land Rover Automotive PLC has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date where the entity has insufficient liquidity to make such payments, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The COVID 19 pandemic resulted in a Government imposed lockdown in March 2020 resulting in a sharp downturn in the automotive industry. Jaguar Land Rover Automotive PLC has adopted the going concern basis of preparation in its annual financial statements for the year ended 31 March 2020. The Company directors have challenged these forecasts and concluded that Jaguar Land Rover Automotive PLC have both the ability and intent to provide financial support to the company, even in a severe but plausible downside scenario.

## Directors' report (continued)

### Going concern (continued)

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### Research and development

The Company undertook no research and development activities during the year (2019: £nil).

### Political donations

The Company made no political donations during this or the prior year.

### Events after the reporting date

During June 2020, it was decided to dispose of the Company's quoted investments, which resulted in net proceeds of approximately £21,516,000.

### Independent auditor

KPMG LLP remains in office as auditor of the Company in accordance with section 487(2) of the Companies Act 2006.

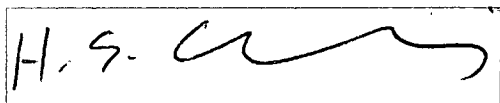
In accordance with Section 487 of the Companies Act 2006, the Company has elected to dispense with laying financial statements before the general meeting, holding annual general meetings and the annual appointment of the auditor. With such an election in force, the Company's auditor shall be deemed to be re-appointed for each succeeding financial year in accordance with Section 485 of the Act.

### Statement of disclosure of information to auditor

In the case of each of the persons who are directors at the time when the report is approved under Section 418 of the Companies Act 2006 the following applies:

- 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 necessary actions in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board of Directors and signed on behalf of the Board by:



H.S Cairns  
Company Secretary  
26 June 2020

### Registered Address

Abbey Road  
Whitley  
Coventry  
CV3 4LF  
United Kingdom

## **Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use 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.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMOTION VENTURES LIMITED**

### **Opinion**

We have audited the financial statements of InMotion Ventures Limited ("the company") for the year ended 31 March 2020 which comprise the Income statement, the Balance sheet, the Statement of changes in equity, the Cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMOTION VENTURES LIMITED (continued)**

### **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 5, 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](http://www.frc.org.uk/auditorsresponsibilities).

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMOTION VENTURES LIMITED (continued)**

### **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.



**Stuart Wood (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
One Snowhill  
Snow Hill Queensway  
Birmingham  
United Kingdom  
B4 6GH  
3 July 2020

## Income statement

31 March (£ thousands)	Note	Year ended 2020	Year ended 2019
Realised profits/(losses) on investments	2	15	(909)
Unrealised (losses)/profits on the revaluation of investments	12	(31,516)	27,149
Investment income	3	23	56
Other income	4	5	8
<b>Gross investment return</b>		<b>(31,473)</b>	<b>26,304</b>
Employee costs	6	(2,303)	(2,682)
Operating expenses	5	(1,094)	(1,727)
Depreciation and amortisation		(353)	(25)
Foreign exchange loss		(1,149)	(1,382)
Finance income		-	10
Finance expense	7	(1,156)	(923)
Impairment losses	8	-	(204)
<b>(Loss)/profit before tax</b>		<b>(37,528)</b>	<b>19,371</b>
Income tax credit/(expense)	10	3,569	(2,751)
<b>(Loss)/profit for the period</b>		<b>(33,959)</b>	<b>16,620</b>

There were no other gains or losses other than the results for the current financial period. Accordingly, no Statement of comprehensive income has been presented.

All items in the above statement are derived from continuing operations. No operations were acquired or discontinued in the year.

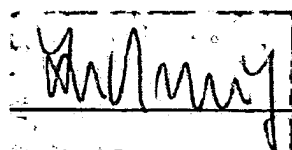
The notes on pages 13 to 33 form an integral part of these financial statements.

## Balance sheet

As at 31 March (£ thousands)	Note	2020	2019
<b>Non-current assets</b>			
Investments	12		
- Quoted investments		16,952	46,748
- Unquoted investments		19,776	16,875
Property, plant and equipment	17	440	-
Intangible assets	11	8	9
<b>Total non-current assets</b>		<b>37,176</b>	<b>63,632</b>
<b>Current assets</b>			
Cash and cash equivalents		19	203
Receivables	13	1,685	646
Unsecured loans	14	-	201
<b>Total current assets</b>		<b>1,704</b>	<b>1,050</b>
<b>Total assets</b>		<b>38,880</b>	<b>64,682</b>
<b>Non-current liabilities</b>			
Deferred tax liability		-	2,656
<b>Total non-current liabilities</b>		<b>-</b>	<b>2,656</b>
<b>Current liabilities</b>			
Payables	16	1,112	747
Other financial liabilities	15	61,691	51,691
Other current liabilities	17	448	-
<b>Total current liabilities</b>		<b>63,251</b>	<b>52,438</b>
<b>Total liabilities</b>		<b>63,251</b>	<b>55,094</b>
<b>Equity</b>			
Ordinary share capital	18	-	-
Retained earnings		(24,371)	9,588
<b>Equity</b>		<b>(24,371)</b>	<b>9,588</b>
<b>Total liabilities and equity</b>		<b>38,880</b>	<b>64,682</b>

The notes on pages 13 to 33 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 26 June 2020. They were signed behalf of the Board by:



F. Ludwig

Director

Company registered number: 10070632

## Statement of changes in equity

For the year ended 31 March 2020 (£ thousands)	Ordinary Share Capital	Retained earnings	Total Equity
Balance at 31 March 2019	-	9,588	9,588
Loss for the year	-	(33,959)	(33,959)
Balance at 31 March 2020	-	(24,371)	(24,371)

For the year ended 31 March 2019 (£ thousands)	Ordinary Share Capital	Retained earnings	Total Equity
Balance at 31 March 2018	-	(7,032)	(7,032)
Profit for the year	-	16,620	16,620
Balance at 31 March 2019	-	9,588	9,588

The notes on pages 13 to 33 form an integral part of these financial statements.

## Cash flow statement

31 March (£ thousands)	Notes	For the year ended 2020	For the year ended 2019
<b>Cash flows used in operating activities</b>			
(Loss)/profit for the year		(33,959)	16,620
Adjustments for:			
Income tax (credit)/expense	10	(3,569)	2,751
Realised (profits)/losses on the disposal of investments	2	(15)	909
Unrealised losses/(profits) on the revaluation of investments	12	31,516	(27,149)
Investment income	3	(23)	(56)
Depreciation and amortisation expense		353	25
Finance income		-	(10)
Finance expense	7	1,156	923
Impairment losses	8	-	204
Foreign exchange gain on financial assets		(43)	(47)
Foreign exchange loss on financial liabilities		1,192	1,429
<b>Cash flows used in operating activities before changes in assets and liabilities</b>		<b>(3,392)</b>	<b>(4,401)</b>
Increase in receivables		(1,038)	(87)
Increase in payables		365	175
Tax paid		(1,838)	-
<b>Net cash used in operating activities</b>		<b>(5,903)</b>	<b>(4,313)</b>
<b>Cash flows used in investing activities</b>			
Issue of loans		-	(200)
Proceeds from loan collections	8	-	310
Receipt of finance income		-	10
Acquisition of investments	12	(4,927)	(7,353)
Disposal of investments	2	536	-
<b>Net cash used in investing activities</b>		<b>(4,391)</b>	<b>(7,233)</b>
<b>Cash flow from financing activities</b>			
Increase in finance lease liability		448	-
Payments in relation to lease liabilities	17	(365)	-
Proceeds from loans from related parties	15	10,000	11,708
<b>Net cash generated from financing activities</b>		<b>10,083</b>	<b>11,708</b>
<b>Net change in cash and cash equivalents</b>		<b>(211)</b>	<b>162</b>
Cash and cash equivalents at beginning of period		203	42
Effect of exchange rates on cash and cash equivalents		27	(1)
<b>Cash and cash equivalents at end of period</b>		<b>19</b>	<b>203</b>

The notes on pages 13 to 33 form an integral part of these financial statements.

## Notes to the financial statements

### 1. Accounting policies

#### A. Statement of compliance

InMotion Ventures Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 10070632 and the registered address is Abbey Road, Whitley, Coventry, CV3 4LF. These financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") as adopted by the European Union and the requirements of the United Kingdom Companies Act 2006 applicable to companies reporting under IFRS.

#### New standards and amendments

IFRS 16 Leases is effective for the year beginning 1 April 2019 for the Company. This standard replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases - Incentives and SIC 27 Evaluating the Substance of the Transactions Involving the Legal Form of a Lease interpretations. Under IFRS 16, lessee accounting is based on a single model, resulting from the elimination of the distinction between operating and finance leases. All leases will be recognised on the balance sheet with a right-of-use asset capitalised and depreciated over the estimated lease term together with a corresponding liability that will reduce over the same period with an appropriate interest charge recognised.

The Company has elected to apply the exemptions for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value. The lease payments associated with those leases are recognised as an expense on a straight-line basis over the lease term or another systematic basis.

The Company is applying the modified retrospective approach on transition under which the comparative financial statements will not be restated. The cumulative impact of the first-time application of IFRS 16 is recognised as an adjustment to opening equity as at 1 April 2019. The details of the changes in accounting policies are disclosed below.

The Company has elected to use the following practical expedients at transition permitted by the Standard:

- On initial application, IFRS 16 has only been applied to contracts that were previously classified as leases under IFRIC 4;
- Regardless of the original lease term, lease arrangements with a remaining duration of less than 12 months will continue to be expensed to the Income Statement on a straight line basis over the lease term;
- Short-term and low value leases will be exempt;
- The lease term has been determined with the use of hindsight where the contract contains options to extend or terminate the lease;
- The discount rate applied as at transition date is the incremental borrowing rate corresponding to the remaining lease term;
- The measurement of a right-of-use asset excludes the initial direct costs at the date of initial application.



## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### New standards and amendments (continued)

The impact of the first-time application of IFRS 16 as at 1 April 2019 did not result in the recognition of a right-of-use asset or lease liability as leases were initially classified as short term.

When measuring lease liability, the Company did not need to discount lease payments using its incremental borrowing rate at 1 April 2019 as no liability was recognised.

(£ thousands)	Land and buildings
<b>Financial obligations for operating leases at 31 March 2019</b>	<b>319</b>
Application exemption for short-term leases	(319)
<b>Gross lease liabilities for former operating leases at 1 April 2019</b>	<b>-</b>
Discounting impact	-
Lease liabilities for former operating leases at 1 April 2019	-
Present value of finance lease liabilities as 31 March 2019	-
<b>Total lease liabilities at 1 April 2019</b>	<b>-</b>

The opening right-of-use asset by class of underlying assets is disclosed in Note 17.

The Company does not consider that any other standards, amendments or interpretations issued by the IASB, but not yet applicable, will have a significant impact on the financial statements.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group financial statements and therefore these financial statements contain information about the Company and not its group. The Company is included in the consolidated financial statements of Jaguar Land Rover Automotive PLC which are available from the Company's registered office.

### B. Basis of preparation

The directors have completed a going concern assessment for the Company for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds through funding from its intermediate parent company, Jaguar Land Rover Automotive PLC, to meet its liabilities as they fall due for that period.

The going concern assessment for the Company is dependent on Jaguar Land Rover Automotive PLC not seeking repayment of the amounts currently due, directly or indirectly, to the group and providing additional financial support during that period. See note 21 for the breakdown of asset and liability positions with fellow group undertakings at 31 March 2020. Jaguar Land Rover Automotive PLC has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date where the entity has insufficient liquidity to make such payments, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The COVID 19 pandemic resulted in a Government imposed lockdown in March 2020 resulting in a sharp downturn in the automotive industry. Jaguar Land Rover Automotive PLC has adopted the going concern basis of preparation in its annual financial statements for the year ended 31 March 2020. The Company directors have challenged these forecasts and concluded that Jaguar Land Rover Automotive PLC have both the ability and intent to provide financial support to the company, even in a severe but plausible downside scenario.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## Notes to the financial statements (continued)

## **1. Accounting policies (continued)**

### **C. Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies

The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values 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 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 most significant techniques for estimation are described in the Investments accounting policy on pages 16 and 17 and discussed in Note 12.

### **D. Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated into the functional currency at the exchange rate prevailing at the end of the reporting period. Exchange differences are recognised in the Income statement as 'foreign exchange gain or loss' as applicable.

### **E. Revenue recognition**

- I. Realised profits or losses on investments are the differences between the fair value of the consideration received less any directly attributable costs, on the sale of an investment, and its carrying value at the start of the accounting period plus any interest accrued in the period, converted into sterling using exchange rates in force at the date of disposal.
- II. Unrealised profits or losses on the revaluation of investments are the movement in the carrying value of investments between the start and end of the accounting period converted into sterling using the exchange rates in force at the reporting date.
- III. Investment income is income that is directly related to the return from individual investments. It is recognised to the extent that there will be economic benefit and the income can be reliably measured. Income from loans is recognised as it accrues by reference to the principal outstanding and the effective interest rate applicable and is only recognised to the extent that it is deemed recoverable, converted into sterling using the exchange rates in force at the accrual dates.

### **F. Other income**

Other income includes income generated from services that are developed in-house and rental of office facilities. Income generated from services is recognised in accordance with the transfer of risks and rewards to the customer or upon InMotion fulfilling its obligations of the related transactions.

### **G. Operating expenses**

All operating expenses are charged to the Income statement on an accruals basis and are classified according to their nature.

### **H. Income taxes**

Income taxes comprise current and deferred taxes. Income tax is charged or credited to the income statement, except when it relates to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity, whereby tax is also recognised outside profit or loss).

## **Notes to the financial statements (continued)**

## **1. Accounting policies (continued)**

### **H. Income taxes (continued)**

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

### **I. Investments**

#### **Classification, initial recognition and measurement**

Investments are designated at fair value through profit or loss and are initially recognised at the fair value of the consideration given.

Investments are recognised and de-recognised on their trade date when the Company becomes a party to a contract, the terms of which require the delivery or settlement of the investment.

Quoted investments are subsequently measured at fair value using the closing bid price at the reporting date where the investment is quoted on an active stock market. Unquoted investments, including both equity and debt instruments, are subsequently measured at fair value in accordance with the International Private Equity and Venture Capital valuation guidelines (the "IPEV guidelines"), with reference to the most appropriate information available at the time of measurement. Share warrants acquired for nil consideration are valued using an option pricing model where a priced funding round has taken place since the date of acquisition. Where a priced round has not yet taken place the warrants are held at cost.

Convertible loan notes are hybrid financial instruments, giving rise to a financial asset from the contractual right to cash flows and an embedded derivative associated with the option to acquire a residual interest in the net assets of the investee. The number of shares that may be acquired varies depending on valuations of the investee companies and the conditions of the actual conversion scenario. The Company has elected to designate its investments in hybrid instruments at fair value through profit and loss.

Convertible loan notes accrue interest which is included in the loan balance and treated as part of investment additions during the year. If the fair value of an investment is assessed to be below the carrying value of the loan, the Company recognises a fair value reduction against any interest income accrued from the date of the assessment going forward. These transactions are disclosed as additions to portfolio cost with an equal reduction in portfolio value. A fair value reduction may also be applied to the principal balance depending on the fair value assessment. If the fair value of such an investment is subsequently assessed to be above the fair value of the loan, the interest provision is reversed, with the amount disclosed as an unrealised gain on the revaluation of an investment, converted into sterling using the exchange rates in force at the revaluation date. Any foreign exchange differences arising between the recognition and reversal of the provision are shown as part of fair value movements in Note 12.

Secured loans are measured at amortised cost using the effective interest method less any expected credit losses, converted into sterling using the exchange rates in force at the reporting date. Any foreign exchange differences arising are included in 'foreign exchange gain' in the Income statement. Interest accrued on secured loans is disclosed as 'finance income' in the Income statement.

## **Notes to the financial statements (continued)**

## 1. Accounting policies (continued)

### I. Investments (continued)

#### Determination of fair value

InMotion invests in early stage and growth companies, through listed and unlisted debt and equity instruments. Given the nature of these companies, there are often no current or short-term future earnings or positive cash flows. As the most appropriate valuation methodologies use observable market data, the price of the most recent transaction is used where possible. Fair value estimates which are based on observable market data will be more reliable than those based on estimates and assumptions, so where there have been recent investments in the asset being valued, the price of that investment will normally provide a basis of the valuation. For share warrant assets the latest priced funding round is used as the primary input to the option pricing model, plus an appropriate risk-free interest rate, a comparable price volatility rate and the estimated time to exercise the warrant.

The length of time for which it remains appropriate to use the price of recent investment depends on the specific circumstances of the investment, and the Company considers whether the basis remains appropriate when valuations are reviewed. Where InMotion has led a funding round, or where only current shareholders have invested and maintained their existing shareholdings, the transaction price is calibrated with an alternative valuation technique, including discounted cash flows and revenue and earnings multiples, where possible.

Where an investment's performance falls below its investment case to the extent that it indicates a reduction in the carrying value, the Company will look to value it at a discount to its latest valuation, normally in increments of 25% based upon alternative valuation techniques. The Company assesses whether an asset's carrying value has the potential to recover as part of the regular valuation process, based upon an objective assessment of the investment's future prospects. Where the Company decides that the carrying value of an investment has fallen permanently below cost, the reduction is treated as a realised loss, even though the investment is still held. Likewise assets are regularly reassessed for indications that a fair value loss previously recognised may be reduced or reversed.

### J. Intangible assets

Intangible assets purchased, including those acquired in business combinations, are measured at acquisition cost which is the fair value on the date of acquisition, where applicable, less accumulated amortisation and accumulated impairment, if any.

For intangible assets with definite lives, amortisation is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortisation periods below:

Class of intangible asset	Estimated amortisation period (years)
Patents and trademarks	2 to 12
Software	2 to 8

The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

### K. Finance income

Finance income includes interest earned from Secured and Unsecured loans and is accrued using the effective interest rate method.

### L. Finance expense

Finance expense includes interest charged on intercompany loan balances and is accrued using the effective interest rate method.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

## M. Impairment

### Intangible assets

At each reporting date, the company assesses whether there is any indication that any intangible assets may be impaired. If any such impairment indicator exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or earlier, if there is an indication that the asset may be impaired.

The estimated recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

## N. Leases

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### **N. Leases (continued)**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company associates the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

This policy is applied to all contracts entered into, or changed, on or after 1 April 2019.

The comparative information for the year ending 31 March 2019 continues to be accounted for under the Company's previous lease accounting policies under IAS 17 Leases.

#### **O. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank.

#### **P. Receivables**

Trade and other receivables are recognised initially at fair value. They are reviewed at the end of each reporting period to determine whether there is any indication of expected losses. If any such indications exist, the asset's recoverable amount is estimated based on expected future cash flows and any changes in expected loss is recognised directly in the Income statement. Receivables are not discounted as the impact of the time on their realised value is not significant.

#### **Q. Deposits**

Security deposits are paid on leased premises to the lessor, and are expected to be recovered in full. Deposits are not discounted as the impact of the time on their realised value is not significant.

#### **R. Payables**

Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which are considered to be payable in respect of goods or services received at the end of the reporting period.

#### **S. Other financial liabilities**

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the related instrument and derecognised when the obligation is discharged, cancelled or has expired.

## Notes to the financial statements (continued)

### 2. Realised profits/(losses) on investments

31 March (£ thousands)	Year ended 2020	Year ended 2019
Proceeds from investments	536	-
Less opening carrying value of investments	(475)	(853)
Less interest accrued during the year	(46)	(56)
<b>Realised profit/(loss) on investments</b>	<b>15</b>	<b>(909)</b>

### 3. Investment income

31 March (£ thousands)	Year ended 2020	Year ended 2019
Interest income	23	56
<b>Total investment income</b>	<b>23</b>	<b>56</b>

### 4. Other income

31 March (£ thousands)	Year ended 2020	Year ended 2019
Rental income	5	8
<b>Total other income</b>	<b>5</b>	<b>8</b>

### 5. Operating expenses

31 March (£ thousands)	Year ended 2020	Year ended 2019
Consultancy	437	409
IT and telecommunications	73	203
Other costs	584	1,115
<b>Total other expenses</b>	<b>1,094</b>	<b>1,727</b>

The auditor's remuneration for the current year is borne by the immediate parent company, Jaguar Land Rover Limited and is not recharged. The Company's allocation for fees payable to the Company's auditor is £31,000 (2019: £30,000). The Company incurred no non-audit fees in either the current financial year or the prior financial year.

### 6. Employee numbers and costs

31 March (£ thousands)	Year ended 2020	Year ended 2019
Wages and salaries	2,090	2,489
Social security costs and benefits	213	193
<b>Total employee costs</b>	<b>2,303</b>	<b>2,682</b>

Average number of employees	Year ended 2020	Year ended 2019
Employees	15	14

## Notes to the financial statements (continued)

### 6. Employee numbers and costs (continued)

Included in the total employee costs above are costs in relation to employees of the Company of £2,133,000 (2019: £1,150,000) and costs of £651,000 (2019: £798,000) comprising amounts recharged from the Company's immediate parent company, Jaguar Land Rover Limited, for employees of Jaguar Land Rover Limited.

Additionally, the Company has put in place certain long term incentives plan and share based payment plan arrangements for certain employees. However, these are still being finalised and to date, are not considered material so no potential pay-out has been recognised.

### 7. Finance expense

31 March (£ thousands)	Year ended 2020	Year ended 2019
Interest expense on financial liabilities measured at amortised cost	1,156	923
<b>Total finance expense</b>	<b>1,156</b>	<b>923</b>

### 8. Impairment losses

31 March (£ thousands)	Year ended 2020	Year ended 2019
Net carrying value of impaired secured loans	-	514
Cash recovered	-	(310)
<b>Total impairment losses</b>	<b>-</b>	<b>204</b>

During the prior year the Company recognised an impairment on its secured loans due to the insolvency of its counterparty, resulting in a net impairment loss of £204,000.

### 9. Directors' emoluments

For the year ended 31 March 2020 only four of the directors received remuneration for their qualifying services specifically to the Company which has been paid by the immediate parent, Jaguar Land Rover Limited. Of the four, two directors are subsequently recharged and recognised in the financial statements of the Company.

The remaining directors did not provide qualifying services to the Company. Their remuneration has been paid by the immediate parent, Jaguar Land Rover Limited.

31 March (£ thousands)	Year ended 2020	Year ended 2019
Directors' emoluments	554	619
Other long-term employee benefits	22	-
Post-employment benefits	32	36
<b>Total directors' emoluments</b>	<b>608</b>	<b>655</b>

Retirement benefits accruing to two directors are included in the financial statements of Jaguar Land Rover Limited for the year ended 31 March 2020. Retirement benefits accruing to two directors are included in the financial statements of the Company for the year ended 31 March 2020.

Retirement benefits are accruing to the following number of directors under:

	Year ended 2020	Year ended 2019
<b>Defined contribution scheme</b>	<b>4</b>	<b>3</b>



## Notes to the financial statements (continued)

### 10. Income taxes

#### Recognised in the income statement

31 March (£ thousands)	Year ended 2020	Year ended 2019
<b>Group tax credit</b>		
Current year	-	-
Prior year	(913)	95
<b>Deferred tax</b>		
Current year	(3,407)	3,682
Prior year	751	(1,026)
<b>Total income tax (credit)/expense</b>	<b>(3,569)</b>	<b>2,751</b>

#### Reconciliation of effective tax rate

31 March (£ thousands)	Year ended 2020	Year ended 2019
(Loss)/profit for the period	(33,959)	16,620
Income tax (credit)/expense	(3,569)	2,751
<b>(Loss)/profit before tax</b>	<b>(37,528)</b>	<b>19,371</b>
Income tax (credit)/expense at 19%	(7,130)	3,680
<b>Effects of:</b>		
Non-deductible expenses	-	2
Unprovided tax losses	3,723	-
Prior period adjustments	(162)	(931)
<b>Total income tax (credit)/expense</b>	<b>(3,569)</b>	<b>2,751</b>

The Company has an unprovided deferred tax asset relating to tax losses of £3,723,000 at 31 March 2020 (2019: £nil).

The UK Finance Act 2016 was enacted during the year ended 31 March 2017, which included provisions for a reduction in the UK corporation tax rate to 17 per cent with effect from 1 April 2020. Subsequently a change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted for IFRS purposes on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19 percent, rather than the previously enacted reduction to 17 percent.

## Notes to the financial statements (continued)

### 11. Intangible assets

£ thousands	Software	Patents and trademarks	Total
<b>Cost</b>			
Balance at 31 March 2018	73	12	85
Additions	-	-	-
<b>Balance at 31 March 2019</b>	<b>73</b>	<b>12</b>	<b>85</b>
Additions	-	-	-
<b>Balance at 31 March 2020</b>	<b>73</b>	<b>12</b>	<b>85</b>
<b>Accumulated amortisation</b>			
Balance at 31 March 2018	49	2	51
Amortisation charge for the year	24	1	25
<b>Balance at 31 March 2019</b>	<b>73</b>	<b>3</b>	<b>76</b>
Amortisation charge for the year	-	1	1
<b>Balance at 31 March 2020</b>	<b>73</b>	<b>4</b>	<b>77</b>
<b>Net Book Value</b>			
At 31 March 2019	-	9	9
<b>At 31 March 2020</b>	<b>-</b>	<b>8</b>	<b>8</b>

### 12. Investments

£ thousands	Quoted investments	Unquoted investments	Total
Fair value as at 31 March 2019	46,748	16,875	63,623
Additions – cash	-	4,927	4,927
Additions – non-cash	-	202	202
Additions – interest	-	23	23
Disposals, repayments and write-offs	-	(531)	(531)
Fair value movements – unrealised	(29,796)	(1,720)	(31,516)
<b>Fair value as at 31 March 2020</b>	<b>16,952</b>	<b>19,776</b>	<b>36,728</b>

£ thousands	Quoted investments	Unquoted investments	Total
Fair value as at 1 April 2018	-	28,924	28,924
Transfer of equity from Level 3 to Level 1	22,244	(22,244)	-
Additions – cash	-	7,353	7,353
Additions – non-cash	-	1,050	1,050
Additions – interest	-	56	56
Disposals, repayments and write-offs	-	(909)	(909)
Fair value movements – unrealised	24,504	2,645	27,149
<b>Fair value as at 31 March 2019</b>	<b>46,748</b>	<b>16,875</b>	<b>63,623</b>

## Notes to the financial statements (continued)

### 12. Investments (continued)

The holding period of the Company's investments is on average greater than one year. For this reason the investments are classified as non-current. It is not possible to identify with certainty investments that will be sold within one year.

#### Fair value hierarchy

The Company classifies financial instruments measured at fair value according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	Quoted equity instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)	No Level 2 financial instruments
Level 3	Inputs that are not based on observable market data	Unquoted equity instruments, loan instruments and limited partnership interests

The Company's investments in quoted and unquoted equity instruments, loan instruments and limited partnerships are classified by the fair value hierarchy as follows:

As at 31 March (£ thousands)	2020	2020	2020	2020
	Level 1	Level 2	Level 3	Total
Quoted investments	16,952	-	-	16,952
Unquoted investments	-	-	19,776	19,776
<b>Total</b>	<b>16,952</b>	<b>-</b>	<b>19,776</b>	<b>36,728</b>

As at 31 March (£ thousands)	2019	2019	2019	2019
	Level 1	Level 2	Level 3	Total
Quoted investments	46,748	-	-	46,748
Unquoted investments	-	-	16,875	16,875
<b>Total</b>	<b>46,748</b>	<b>-</b>	<b>16,875</b>	<b>63,623</b>

As at 31 March 2020 and 31 March 2019, the Company did not hold any Level 2 investments.

Investments are reviewed at each year end to ensure that they are correctly classified between Level 1, 2 and 3, in accordance with the fair value hierarchy above. When an investment's characteristics change during the financial year and it no longer meets the criteria of a given level, it is transferred into a more appropriate level at the beginning of the relevant financial reporting period. In the year ended 31 March 2019 there was one transfer between Levels due to the Initial Public Offering of an underlying investment.

If the closing bid price used to value each quoted investment at 31 March 2020 increased / decreased by 5%, the impact on the investment portfolio would be an increase / decrease of £848,000 (2019: £2,337,000).

## Notes to the financial statements (continued)

### 12. Investments (continued)

#### Level 3 fair value reconciliation

As at 31 March (£ thousands)	2020	2019
Opening fair value	16,875	28,924
Transfer of equity from Level 3 to Level 1	-	(22,244)
Additions – cash	4,927	7,353
Additions – non-cash	202	1,050
Additions – interest	23	56
Disposals, repayments and write-offs	(531)	(909)
Fair value movements – unrealised	(1,720)	2,645
<b>Total</b>	<b>19,776</b>	<b>16,875</b>

Level 3 inputs are sensitive to assumptions made when ascertaining fair value as described in accounting policy I (Note 1). Of investments held at 31 March 2020 and classified as Level 3, 93% (2019: 91%) were valued using recent transaction values and 7% (2019: 9%) were valued using an alternative technique.

#### Valuation techniques

##### Recent transaction values

The pricing of recent investment transactions is the main input of valuations performed by the Company. InMotion's policy is to use observable market data where possible for its valuations and, in the absence of portfolio company earnings or revenue to compare or of relevant comparable businesses' data, recent transaction prices represent the most reliable observable inputs. If the prices used to value each unquoted investment valued on a recent transaction value basis as at 31 March 2020 increased / decreased by 5%, the impact on the investment portfolio would be an increase / decrease of £924,000 (2019: £768,000).

##### Alternative valuation methodologies

Alternative valuation methodologies are used by the Company for reasons specific to individual assets. At 31 March 2020 the alternative technique used was net asset value, representing 100% of alternatively valued assets. If the value of investments using this technique increased / decreased by 5% the impact on the portfolio would be an increase / decrease of £65,000 (2019: £76,000).

The fair values of all other assets and liabilities approximate their carrying amounts in the Balance sheet.

### 13. Receivables

As at 31 March (£ thousands)	2020	2019
Rent deposit	142	142
Amounts owed by group undertakings	1,125	213
Other receivables	418	291
<b>Total receivables</b>	<b>1,685</b>	<b>646</b>

## Notes to the financial statements (continued)

### 14. Unsecured loans

As at 31 March (£ thousands)	2020	2019
Unsecured loans due within 12 months	-	201
<b>Total Unsecured loans</b>	<b>-</b>	<b>201</b>

Fair value and book value of unsecured loans approximate one another.

### 15. Other financial liabilities

As at 31 March (£ thousands)	2020	2019
<b>Current</b>		
Interest payable on intercompany loan	88	93
Intercompany loan	61,603	51,598
<b>Total current other financial liabilities</b>	<b>61,691</b>	<b>51,691</b>

Fair value and book value of other financial liabilities approximate one another.

Amounts owed to group undertakings are repayable on demand and are unsecured. Interest charged is added to the balance owed.

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's Cash flow statement as cash flows from financing activities.

As at 31 March (£ thousands)	Year ended 2020	Year ended 2019
Opening balance	51,691	36,579
Proceeds from loans from group undertakings	7,673	11,708
Non cash addition to loan obligations	-	1,050
Interest charged	1,156	923
Foreign exchange movements	1,171	1,431
<b>Balance at 31 March</b>	<b>61,691</b>	<b>51,691</b>

### 16. Payables

As at 31 March (£ thousands)	2020	2019
Trade payables	445	233
Employee costs and taxes	667	514
<b>Total payables</b>	<b>1,112</b>	<b>747</b>

## Notes to the financial statements (continued)

### 17. Leases

#### Lease as a Lessee

The Company leases its office building. Information about the lease for which the Company is a lessee is presented below.

#### Right-of-use assets

(£ thousands)	Land and buildings
Opening balance at 1 April 2019	-
Additions for the year	792
Depreciation charge for the year	(352)
<b>Closing balance at 31 March 2020</b>	<b>440</b>

Additions to the right-of-use assets during the year ended 31 March 2020 were £792,000.

#### Lease liabilities

The maturity analysis of the contractual undiscounted cash flows are as follows:

As at 31 March (£ thousands)	2020
Less than one year	455
One to five years	-
More than five years	-
<b>Total undiscounted lease liabilities</b>	<b>455</b>

The following amounts are included in the Balance sheet as at 31 March 2020:

As at 31 March (£ thousands)	2020
Current lease liabilities	448
Non-current lease liabilities	-
<b>Total lease liabilities</b>	<b>448</b>

The following amounts are recognised in the Income statement for the year ended 31 March 2020:

As at 31 March (£ thousands)	2020
Interest expense on lease liabilities	20
Variable lease payment not included in the measurement of lease liabilities	-
Income from sub-leasing of right-of-use assets	-
Expenses related to short-term leases	-
Expenses related to low-value assets, excluding short-term leases of low-value assets	-
Gains or losses arising from sale-and-leaseback transactions	-

The following amounts are recognised in the Cash flow statement for the year ended 31 March 2020:

As at 31 March (£ thousands)	2020
Cash payments for the principal portion of lease liabilities (within financing activities)	(345)
Cash payment for interest expense related to lease liabilities (within financing activities)	(20)
<b>Total cash outflow for leases</b>	<b>(365)</b>

## Notes to the financial statements (continued)

### 17. Leases (continued)

The Company leases a building which has a renewal option in the normal course of the business. Extension and termination options are included. These are used to maximise operational flexibility in terms of managing the asset used in the Company's operation. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option. The Company re-assesses whether it is reasonably certain to exercise options if there is a significant event or significant change in circumstances within its control. The Company's lease matures in 2020.

Some of the leases are short-term and/or low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

There are no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

The Company has applied IFRS 16 from 1 April 2019 using the modified retrospective method, meaning the comparative information for the year ending 31 March 2019 has not been restated. As a result, the comparative information provided for that fiscal year below continues to be accounted for in accordance with the Company's previous lease accounting policy under IAS 17 Leases.

#### Lease as a Lessee under IAS 17

Non-cancellable operating lease rentals are payable as follows:

As at 31 March (£ thousands)	2019
Less than one year	319
<b>Total lease payments</b>	<b>319</b>

The lease total consists of office building rentals. The total operating lease charge recognised in the Income statement for the year was £529,000.

### 18. Share capital

The Company has 1 share issued and paid at its nominal value of £1. There were no changes to the capital structure of the Company during the years ended 31 March 2020 or 31 March 2019.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

## Notes to the financial statements (continued)

### 19. Financial instruments and associated risks

This section gives an overview of the significance of financial instruments for the Company and provides additional information on Balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policy I.

#### Financial assets and liabilities

The following table shows the fair value of each category of financial assets and liabilities as at 31 March 2020:

(£ thousands)	Loans and receivables	Fair value through profit and loss	Total fair value
<b>Financial assets</b>			
Quoted investments	-	16,952	16,952
Unquoted investments	-	19,776	19,776
Receivables	1,685	-	1,685
Cash and cash equivalents	19	-	19
<b>Total financial assets</b>	<b>1,704</b>	<b>36,728</b>	<b>38,432</b>
<b>Financial liabilities</b>			
Accounts payable	1,112	-	1,112
Other financial liabilities	61,691	-	61,691
Other current liabilities	448	-	448
<b>Total financial liabilities</b>	<b>63,251</b>	<b>-</b>	<b>63,251</b>

All financial liabilities are current liabilities that mature in less than one year.

The financial instruments that are measured subsequent to initial recognition at fair value are classified as Level 3 fair value measurements, as defined by IFRS 13, being those derived from inputs other than quoted prices that are unobservable.

Fair values of trade receivables and payables, loan receivables and other financial assets and liabilities are assumed to approximate to cost due to the short term maturity of the instruments and as the impact of discounting is not significant.

The Company is currently exposed to risks relating to market price, currency, interest rates, concentration, credit, liquidity and capital management. The Company has a risk management framework in place which monitors all of these risks.

#### Market price risk

Market risk is the potential for changes in value due to the performance of underlying investments. The Company's investments are susceptible to market price risk arising from uncertainties about future market conditions within which the investments operate. The Company's market risk is regularly managed through governance processes that review initial investments and monitor the performance of portfolio companies on an ongoing basis. The Company's sensitivity to price risk is analysed in note 12.



## Notes to the financial statements (continued)

### 19. Financial instruments and associated risks (continued)

#### Currency risk

A significant exposure to currency risk is due to fluctuations in foreign currency exchange rates. At 31 March 2020, the Company was exposed to currency risk relating to GBP/USD and GBP/EUR. At 31 March 2020, the net exposure to US Dollar assets and liabilities is £8,847,000 (2019: £37,053,000) and the net exposure to Euro assets and liabilities is £900,000 (2019: £865,000). Had sterling strengthened by 5%, 10% or 15% in relation to these currencies, with all other variables held constant, net assets of the Company would have decreased respectively by the amounts shown in the following table.

As at 31 March 2020 (£ thousands)	5%	10%	15%
USD	421	804	1,154
EUR	43	82	117
<b>Total</b>	<b>464</b>	<b>886</b>	<b>1,271</b>

As at 31 March 2019 (£ thousands)	5%	10%	15%
USD	1,764	3,368	4,833
EUR	41	79	113
<b>Total</b>	<b>1,805</b>	<b>3,447</b>	<b>4,946</b>

The table below sets out the Company's exposure to foreign currency exchange rates with regard to the Company's assets and liabilities at the year end. The Company's total assets were £38,880,000 (2019: £64,682,000) and the total liabilities were £63,251,000 (2019: £55,094,000).

As at 31 March (£ thousands)	2020	2019
% of total Company assets		
USD	82%	89%
EUR	2%	1%
GBP	16%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>

As at 31 March (£ thousands)	2020	2019
% of total Company liabilities		
USD	33%	39%
EUR	0%	0%
GBP	67%	61%
<b>Total</b>	<b>100%</b>	<b>100%</b>

#### Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in interest income and expense for the Company. As of 31 March 2020 net financial liabilities of £61,691,000 (2019: £51,490,000) were subject to a variable interest rate. An increase/decrease of 100 basis points in applicable interest rates at the end of the reporting period would result in an impact of £614,000 (2019: £515,000) on the Company's net profit before tax and total equity.

The Company's investments in convertible loan instruments are all subject to fixed rates of interest.

## Notes to the financial statements (continued)

### 19. Financial instruments and associated risks (continued)

#### Concentration risk

The Company seeks to diversify risk through significant dispersion of investments by geography, economic sector and size as well as through the maturity profile of its investment portfolio.

The Company participates in 21 portfolio investments and the aggregate return of the Company may be materially and adversely affected by the unfavourable performance of the largest investment. The investments are in varied industries and thus the Company's performance will not be closely linked to adverse developments in a particular industry.

#### Credit risk

Credit risk is the potential that an issuer, counterparty or underlying investment third party will be unable to meet commitments that it has entered into with the Company and/or the commitments with underlying investments of the Company.

The credit quality of convertible loans within the investment portfolio is based on the financial performance of the individual portfolio companies. For those assets that are not past due it is believed that the risk of default is small and that capital repayments and interest payments will be made in accordance with the agreed terms and conditions of the Company's investment. Where the portfolio company has failed or is expected to fail in the next 12 months, the increase in credit risk is included within the overall assessment of the fair value of the investment.

At the end of the reporting period, there are no balances which were past due or which showed an increased risk of credit loss.

#### Liquidity risk

The Company's liquidity risk is the risk that the Company will encounter difficulties raising liquid funds to meet commitments as they fall due. The Directors are responsible for determining the level of liquid funds to be held by the Company. A prudent liquidity risk management approach is adopted to ensure sufficient cash is available for both operational expenses and investments through an intercompany loan from the immediate parent and from the retention of proceeds from investments. At the end of the reporting period the Company had access to additional undrawn loan amounts totalling £5,168,000.

The Company's investments are subject to liquidity risk in the normal course of business. As at 31 March 2020, the Company held £19,776,000 (2019: £63,824,000) in investments and loans that it considered to be illiquid. The Directors manage this risk by ensuring that sufficient funds exist to meet outstanding commitments, other liabilities incurred by the operating activities of the Company and short term liquidity needs, as they fall due.

The following table analyses the Company's liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the tables are the contractual undiscounted cash flows.

(£ thousands)	Liabilities less than 1 year	Liabilities between 1-5 years	Liabilities more than 5 years	Total
<b>As at 31 March 2020</b>				
Accounts payable	1,112	-	-	1,112
Other financial liabilities	61,691	-	-	61,691
<b>Total financial liabilities</b>	<b>62,803</b>	<b>-</b>	<b>-</b>	<b>62,803</b>
<b>As at 31 March 2019</b>				
Accounts payable	747	-	-	747
Other financial liabilities	51,691	-	-	51,691
<b>Total financial liabilities</b>	<b>52,438</b>	<b>-</b>	<b>-</b>	<b>52,438</b>

## Notes to the financial statements (continued)

### 19. Financial instruments and associated risks (continued)

#### Capital management

The Company's objectives when managing capital are to ensure that it and its subsidiaries continue to operate as going concerns, and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to meet shareholder expectations.

The capital structure and funding requirements are regularly monitored by the Directors to ensure sufficient liquidity is maintained by the Company. All debt issuance and capital distributions are approved by the Board of Directors. There are no externally imposed capital requirements on the Company.

The Company has no external borrowings and is funded by equity and immediate parent company loans.

### 20. Commitments and contingencies

The Company is an investor in Maniv Mobility A L.P. (the 'Partnership'), and as a Limited Partner has outstanding capital commitments to the Partnership at the reporting date of £244,000.

### 21. Related party transactions

The Company's related parties include Tata Sons Ltd., subsidiaries, associates and joint ventures of Tata Sons Ltd which includes Tata Motors Limited, (the ultimate parent company), subsidiaries, associates and joint ventures of Tata Motors Limited. The Company routinely enters into transactions with these related parties in the ordinary course of business.

The following is a summary of the related party transactions and balances not eliminated in the company financial statements. All related party transactions are conducted under normal terms of business. All amounts outstanding are unsecured and will be settled in cash.

- The intercompany loan balance of principal and interest totalling £61,691,000 (2019: £51,691,000) is due to the immediate parent company.
- Amounts owed by group undertakings in relation to group tax relief totalling £1,125,000 (2019: £213,000) comprise £228,000 due from Jaguar Racing Limited, £837,000 due from Jaguar Land Rover Automotive PLC and £60,000 from Jaguar Land Rover Holdings Limited.

#### Compensation of key management personnel

Compensation of key management personnel, not already included in the directors' emoluments, is borne by the immediate parent company, Jaguar Land Rover Limited, and is not recharged to the Company.

## Notes to the financial statements (continued)

### 22. Related undertakings

The Companies Act 2006 requires disclosure of certain information about the Company's related undertakings and this is set out below. Related undertakings are subsidiaries, joint ventures, associates and other significant holdings. In this context, significant means a shareholding greater than or equal to 20% of the nominal value of any class of shares.

#### Subsidiaries

Name	Holding / share class	Country of incorporation or residence	Address
Lenny Insurance Limited	100% Ordinary shares	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF
InMotion Ventures 2 Limited	100% Ordinary shares	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF
InMotion Ventures 3 Limited	100% Ordinary shares	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF
InMotion Ventures 4 Limited	100% Ordinary shares	England and Wales	Abbey Road, Whitley, Coventry, CV3 4LF

On 20<sup>th</sup> March 2020, the board of directors of Lenny Insurance Limited agreed the company's long-term investment growth and absence of a willing 3<sup>rd</sup> party investor, was not sufficient to justify continued financing from the intermediate parent company, Jaguar Land Rover Limited and resolved to wind up the company.

#### Associates

Name	Holding / share class	Country of incorporation or residence	Address	Principal activity
Synaptiv Limited	37.5% Ordinary shares	England and Wales	175 Grey's Inn Road, London, WC1X 8UE	Data analysis services
Driveclubservice PTE Ltd	25.0% Ordinary shares	Singapore	22 Sin Ming Lane, Midview City, Singapore	Car rental services
ARC Vehicle Limited	26.4% Ordinary shares	England and Wales	Priory Barn Road, Coventry, CV8 3FX	Electric vehicle manufacturer

### 23. Immediate and ultimate parent company and parent company of larger group

The Company's immediate parent undertaking is Jaguar Land Rover Limited and the ultimate parent undertaking and controlling party is Tata Motors Limited, India which is the parent of the largest group to consolidate these financial statements. The smallest group which consolidates these financial statements is Jaguar Land Rover Automotive PLC.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the Group Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai – 400001, India. Copies of the Jaguar Land Rover Automotive PLC consolidated financial statements can be obtained from its registered office at Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.