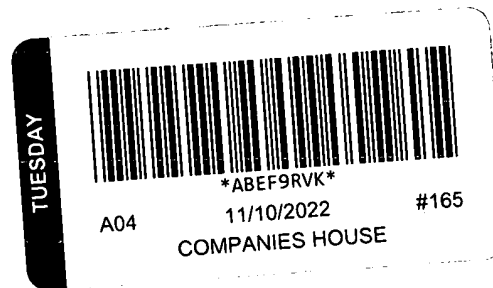


eviivo Limited
Report and Financial Statements
Year Ended
30 September 2021

Company Number 05002392



eviivo Limited

**Report and financial statements
for the year ended 30 September 2021**

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Directors

G Kamieniecky
M Fitzpatrick
G Knoflach
R Fuller (Resigned – 30/06/2022)
R Frewer

Secretary and registered office

R Whitehead, Camburgh House, 27 New Dover Road, Canterbury, Kent, CT1 3DN

Company number

05002392

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

eviivo Limited
Strategic report
for the year ended 30 September 2021

The directors present their strategic report together with the audited financial statements for the year ended 30 September 2021.

Results and dividends

The consolidated statement of comprehensive income is set out on page 10 and shows the loss for the year ended 30 September 2021 and 30 September 2020. The directors do not recommend payment of a dividend (2020 - Nil).

Principal activities, review of the business and future developments

The principal activities of the group and company are the delivery of web-based business automation services, including booking and property management services, to independent hotels, guest houses and other accommodation providers. These services are offered on a global basis, and principally delivered in the UK, European and North American markets.

Activities for the year focused on the continued development of eviivo suite, the company's booking management platform, and further expansion into European markets and North America. eviivo suite™ offers a world-class booking calendar, built-in connectivity to major online travel agencies and over 100 low-cost community channels, a powerful website and web booking engine, and integrated card management services, thus providing accommodation providers with a convenient, affordable solution, that puts them firmly in control of all aspects of their business. In addition the company offers targeted revenue management and settlement services to some of its customers and partners in Europe principally.

The group continues to pursue further growth in international markets, through organic investment in its international operations and the localisation of eviivo suite for European markets both in terms of local language support and specific functional and compliance requirements in certain jurisdictions.

The results for the year and financial position of the group and company are as shown in the financial statements.

Group research and development activities

The group's research and development activities focus on on-going platform improvement and the development of new innovative services for both the UK and international markets. A portion of these development expenses have been capitalised on the balance sheet, to the extent that these qualify as development costs according to accounting guidance. Approximately 52% (2020 - 45%) of the total costs of the R&D department have been capitalised. This included the delivery of brand new mobile application.

Principal risks and uncertainties

The principal risks and uncertainties facing the business are the current macroeconomic conditions and the risk of increased competition.

Going concern

The COVID-19 pandemic and the ensuing lockdown and restrictions imposed by many governments, had a significant impact on many businesses in FY20 and FY21, and particularly those in the travel and tourism sector. The company was able to secure additional capital and debt funding during the latter period, and despite seeing unprecedented levels of booking cancellations and lower booking volumes, was able to minimise losses to its subscriber base. In the second half of 2021 lockdown restrictions began to be lifted, and the company saw a rebound in booking volumes and demand for its software products and services. The current forecast shows strong bookings and revenue performance for FY22.

The financial statements have been prepared using the going concern basis of accounting. The directors have reviewed the company's going concern position taking into account its current business activities, budgeted performance and factors likely to affect its future performance. Based on the information contained within the accounts the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

eviivo Limited

Strategic report (continued) for the year ended 30 September 2021

Principal risks and uncertainties (continued)

At the balance sheet date, the group had net current liabilities and net assets of £2,672,000 (2020: -£2,764,000) and £6,378,000 (2020: £1,506,000) respectively. For the year ended 30 September 2021 the group made a loss before tax of £2,617,000 (2020: -£3,871,000). Despite this the financial statements have been prepared on a going concern basis.

The directors have prepared financial forecasts and are satisfied that the group and the company will be able to operate at least for the next twelve months following the approval of these financial statements. In addition to the usual going concern forecasting process, the directors have prepared additional hypothetical stress-test scenarios that contemplate a material underperformance of the group caused by the partial or occasional reintroduction of lockdown restrictions in parts of the world. The directors do not believe that such scenarios are likely to occur, but if they do then various mitigating actions have been identified that would permit the group to continue as a going concern. It is on this basis that the directors consider it appropriate to prepare the group and company financial statements on a going concern basis.

The Directors consider that the group has access to sufficient funding to meet its financial obligations as they fall due. In forming this decision the directors have taken into account the fact that the company has secured an extension to its revolving cash flow facility of £2,000,000 until July 2024. As a result, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

See note 1 for further information on going concern.

Brexit

There has been some adverse impact on eviivo's business to date following the exit of the United Kingdom as a member of the European Union as Brexit has driven unwelcome changes including increased card fees and electronic fund transfers (as SEPA no longer applies), and most importantly, the ability to attract and retain engineers, and find sales and service staff with strong multi-lingual capabilities as it seeks to drive international expansion. eviivo continues to closely monitor developments and take appropriate action where necessary and the

Company will be moving some functions back into the EU in order to avoid any material adverse impact in the future, as it grows its European business.

Competition

eviivo are combining many complex functionalities into a convenient, affordable, all-in-one package, including a property and booking management system, a comprehensive fully integrated real-time channel manager, a website and a booking engine, a range of purpose-built web templates and the comprehensive management of secure payments for all online bookings. This gives eviivo a unique position in the marketplace. When competing with eviivo, many small low-end vendors, point solutions, and new market entrants attempt to confuse customers by making "me too" functionality claims, often through loosely coupled third party integrations. In order to maintain its leadership position, the group is maintaining a strong investment in product development, driving a continuous-flow of innovative features and marketing techniques, and maintaining its focus on international expansion. Over the last year or so, the company has attracted larger hospitality businesses and proven its ability to successfully migrate larger number of properties.

eviivo Limited

**Strategic report (continued)
for the year ended 30 September 2021**

Key performance indicators

The impact of the Coronavirus pandemic was such that revenue declined by 9% year on year, this was driven primarily by a severe reduction in travel agency bookings following a severe lockdown period and some attrition of the subscriber base as the smallest accommodation providers found it hard to survive an eight-month lock-down so shortly after the 2020 lockdown.

The Operating result for the year was a loss of £2,425,000 (2020 - £3,709,000). The company was nevertheless able to secure the necessary increase in capital to address the impact of Covid.

Approval

This report was approved on behalf of the Board on 28 September 2022



M Fitzpatrick

Director

eviivo Limited
Directors' report
for the year ended 30 September 2021

The directors present their report together with the audited financial statements for the year ended 30 September 2021.

Directors

The directors of the company during the year and after the year-end were:

G Kamieniecky
M Fitzpatrick
G Knoflach
R Fuller (Resigned 30 June 2022)
R Frewer

Going concern

See note 1 for further information on going concern.

Financial Risk Management

Market risk

Market risk arises from the Group's use of interest bearing, tradeable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk from long-term borrowings at variable rates. During the periods under review, the Group's borrowings at variable rate were denominated in GBP.

Foreign exchange risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency (primarily US Dollar or Pound Sterling or Euro) with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Board receives regular cash flow statements as well as information regarding cash balances. At the end of the financial year, the cashflow projections indicated that the Group is expected to have sufficient liquidity. The decisions taken by management to reduce costs has mitigated any immediate liquidity risk without prohibiting the business from delivering its core functions. Post year end, the Group has repaid its financing facilities in entirety.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. Credit risk is managed by monitoring payments against contractual agreements and if required suspension of dealing with customer in case of non-payments. A debt collection agency was also engaged to support collections in defined instances.

Post balance sheet events

See note 24 for further information on post balance sheet events.

**Directors' report (continued)
for the year ended 30 September 2021**

Statement of directors' responsibilities

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 the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group and 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Political donations

During the year, the Company and its subsidiaries made no political donations.

Research and development

See Group research and development activities of the Group included in the Strategic Report.

Employment of disabled persons

The Group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The Group's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the Group, the HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the Group. Retraining of employees who become disabled whilst employed by the company is offered where appropriate.

Employee involvement

The Group maintains an HR intranet site that provides employees with information on matters of concern to them as employees. The intranet site includes functionality that enables employees to express views on matters that affect them anonymously and the Group also undertakes a regular staff survey to canvas views on significant matters.

eviivo Limited

**Directors' report(continued)
for the year ended 30 September 2021**

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

On behalf of the Board



M Fitzpatrick

Director

Date: 28 September 2022

**Independent auditor's report
for the year ended 30 September 2021**

Independent Auditor's Report to Members of Eviivo Limited

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2021 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Eviivo Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2021 which comprise Consolidated statement of comprehensive income, Consolidated and Company balance sheet, Consolidated statement of cash flows, Consolidated statement of changes in equity, Company statement of changes in equity and 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report and Financial statements, 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

eviivo Limited

**Independent auditor's report (continued)
for the year ended 30 September 2021**

Other Companies Act 2006 Reporting

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

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

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the consolidated financial statements, 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 Group's and the Parent 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 Group or the Parent 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

- enquiring of management and obtaining and reviewing supporting documentation relating to the Group's and Company's policies and procedures relating to:
 - compliance with laws and regulations and whether they were aware of any instances of non-compliance or any actual or potential litigation and claims; and
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- discussion within the engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud;

**Independent auditor's report (continued)
for the year ended 30 September 2021**

- obtaining an understanding of the legal and regulatory frameworks the group and company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations of the group;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC, if any; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments such as evaluating entries posted with unusual account combinations to revenue, large material journals, Keyword journals and user-wise analysis of posted journals. This includes evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Addressing the risk of fraud in revenue recognition, we have performed testing of revenue transactions through verification of samples of invoices raised, customer check-ins, activation status of the customers and collection of outstanding balances.

Further, the Group and Company is also subject to various laws and regulations where the consequences of Non-compliance could have a material effect on amounts and disclosures in the Financial Statements, for instance through imposition of fines or litigation etc. Auditing standards limit the required audit procedure to identify non-compliance with these laws and regulations to enquiry of the Directors and the Management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify any actual or suspected non-compliance

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Shabbir Somani

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Shabbir Somani (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

29 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

eviivo Limited

Consolidated statement of comprehensive income
for the year ended 30 September 2021

	Note	2021 £'000	2020 £'000
Turnover	3	12,335	13,593
Cost of sales		(3,059)	(3,256)
Gross profit		9,276	10,337
Other Operating Income	23	337	337
Administrative expenses		(12,038)	(14,383)
Operating loss	6	(2,425)	(3,709)
Interest income		-	7
Interest expense	7	(192)	(169)
Loss on ordinary activities before taxation		(2,617)	(3,871)
Taxation	8	(30)	(51)
Loss for the year		(2,647)	(3,922)
Other comprehensive income for the year			
Exchange difference on re-translation of net assets of subsidiary undertakings		(1)	(1)
Total comprehensive loss for the year		(2,648)	(3,923)

All amounts above relate to continuing activities.

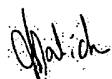
The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Consolidated balance sheet
at 30 September 2021

Company number 05002392	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Intangible assets	9		3,855		4,539
Tangible assets	10		96		228
			3,951		4,767
Current assets					
Debtors: amounts due within one year	12	4,860		3,891	
Debtors: amounts due after more than one year	12	1,124		2,048	
Total debtors	12	5,984		5,939	
Cash at bank and in hand		6,442		7,777	
		12,426		13,716	
Creditors: amounts falling due within one year	13	(9,754)		(16,480)	
Net current liabilities			2,672		(2,764)
Total assets less current liabilities			6,623		2,003
Creditors: amounts falling due after more than one year	14		-		(59)
Provision for liabilities	15		(245)		(438)
Net assets			6,378		1,506
Capital and reserves					
Called up share capital	18		30,092		22,496
Share premium account			1,784		1,966
Share option reserve			(25,498)		(22,956)
Retained earnings					
Shareholders' funds			6,378		1,506

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



M Fitzpatrick
Director

The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Consolidated statement of changes in equity
for the year ended 30 September 2021

	Share Capital £'000	Share Premium Account £'000	Share Option Reserve £'000	Retained Earnings £'000	Total Equity £'000
30 September 2019	-	22,496	1,903	(19,262)	5,137
Comprehensive loss for the year	-	-	-	(3,922)	(3,922)
Other comprehensive income for the year					
Currency translation differences	-	-	-	(1)	(1)
Total comprehensive loss for the year	-	-	-	(3,923)	(3,923)
Contributions by and distributions to owners					
Share option expense	-	-	224	-	224
Share options lapsed	-	-	(161)	-	(161)
Deferred share consideration (note 21)	-	-	-	229	229
Total contributions by and distributions to owners	-	-	63	229	292
30 September 2020	-	22,496	1,966	(22,956)	1,506
Comprehensive loss for the year	-	-	-	(2,647)	(2,647)
Other comprehensive income for the year					
Currency translation differences	-	-	-	(1)	(1)
Total comprehensive loss for the year	-	-	-	(2,648)	(2,648)
Contributions by and distributions to owners					
Issue of Shares	-	7,596	-	-	7,596
Share option expense	-	-	71	-	71
Share options lapsed	-	-	(253)	-	(253)
Deferred share consideration (note 21)	-	-	-	106	106
Total contributions by and distributions to owners	-	7,596	(182)	106	7,520
30 September 2021	-	30,092	1,784	(25,498)	6,378

The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Consolidated statement of cash flows
for the year ended 30 September 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities			
Loss for the financial year		(2,647)	(3,922)
Adjustments for:			
Depreciation of fixed assets and amortisation/impairment of intangible assets	9/10	1,953	2,486
Net interest expense	7	192	162
Taxation expense	8	10	51
Share based payment charge	17	(182)	63
Decrease (increase) in trade and other debtors		61	1,098
Increase(decrease) in trade and other creditors		(3,285)	769
Increase(decrease) in provisions		(193)	15
		<hr/>	<hr/>
Cash from operations		(4,091)	722
Interest received		-	7
Interest paid		(192)	(169)
Taxation paid		(10)	(51)
		<hr/>	<hr/>
Net cash generated from operating activities		(4,293)	509
		<hr/>	<hr/>
Cash flows from investing activities			
Purchases of tangible assets	10	(16)	(101)
Proceeds from sale of tangible fixed assets		-	22
Capitalised development costs	9	(1,123)	(1,263)
		<hr/>	<hr/>
Net cash used in investing activities		(1,139)	(1,342)
		<hr/>	<hr/>
Cash flows from financing activities			
Issue Preference Shares		6,090	-
Issue Ordinary Shares		1,505	-
Capital element of hire purchase liability repaid		-	(30)
Proceeds / (Repayment) of bank loans		(3,500)	2,850
		<hr/>	<hr/>
Net cash used in financing activities		4,095	2,820
		<hr/>	<hr/>
Net increase in cash and cash equivalents		(1,337)	1,987
Cash and cash equivalents at beginning of year		7,777	5,787
Foreign exchange gains and losses		2	3
		<hr/>	<hr/>
Cash and cash equivalents at end of year		6,442	7,777
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Company balance sheet
at 30 September 2021

<i>Company number 05002392</i>	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Intangible assets	9		3,267		3,420
Tangible assets	10		68		166
Investments	11		1,966		1,966
			5,301		5,552
Current assets					
Debtors: amounts due within one year	12	7,108		5,887	
Debtors: amounts due after more than one year	12	1,124		2,048	
Total debtors	12	8,232		7,935	
Cash at bank and in hand		5,948		7,209	
		14,180		15,144	
Creditors: amounts falling due within one year	13	(9,062)		(15,641)	
Net current assets			5,118		(497)
Total assets less current liabilities			10,419		5,055
Creditors: amounts falling due after more than one year	14		-		(59)
Provisions for liabilities	15		(143)		(336)
Net assets			10,276		4,660
Capital and reserves					
Called up share capital	18		-		-
Share premium account			30,092		22,496
Share option reserve			1,784		1,966
Retained earnings			(21,600)		(19,802)
Shareholders' funds			10,276		4,660

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The group loss for the year includes a loss after tax of £1,904,000 (2020 - £2,213,000) attributable to the parent company.

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



M Fitzpatrick
Director

The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Company statement of changes in equity
for the year ended 30 September 2021

	Share Capital £'000	Share Premium Account £'000	Share option reserve £'000	Retained earnings £'000	Total equity £'000
30 September 2019	-	22,496	1,903	(17,818)	6,581
<i>Comprehensive loss for the year</i>					
Loss for the year	-	-	-	(2,213)	(2,213)
Total comprehensive loss for the year	-	-	-	(2,213)	(2,213)
Contributions by and distributions to owners					
Share options expense	-	-	224	-	224
Share options lapsed	-	-	(161)	-	(161)
Deferred share consideration (note 21)	-	-	-	229	229
Total contributions by and distributions to owners	-	-	63	229	292
30 September 2020	-	22,496	1,966	(19,802)	4,660
<i>Comprehensive loss for the year</i>					
Loss for the year	-	-	-	(1,904)	(1,904)
Total comprehensive loss for the year	-	-	-	(1,904)	(1,904)
Contributions by and distributions to owners					
Issue of Shares	-	7,596	-	-	7,596
Share options expense	-	-	71	-	71
Share options lapsed	-	-	(253)	-	(253)
Deferred share consideration (note 21)	-	-	-	106	106
Total contributions by and distributions to owners	-	7,596	(182)	106	7,520
30 September 2021	-	30,092	1,784	(21,600)	10,276

The notes on pages 16 to 34 form part of these financial statements.

eviivo Limited

Notes forming part of the financial statements for the year ended 30 September 2021

1 Accounting policies

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

Basis of preparation

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

The following principal accounting policies have been applied:

Going concern

The COVID-19 pandemic and the ensuing lockdown and restrictions imposed by many governments, had a significant impact on many businesses in FY20 and FY21, and particularly those in the travel and tourism sector. The company was able to secure additional capital and debt funding during the latter period, and despite seeing unprecedented levels of booking cancellations and lower booking volumes, was able to minimise losses to its subscriber base. In the second half of 2021 lockdown restrictions began to be lifted, and the company saw a rebound in booking volumes and demand for its software products and services. The current forecast shows strong bookings and revenue performance for FY22.

The financial statements have been prepared using the going concern basis of accounting. The directors have reviewed the company's going concern position taking into account its current business activities, budgeted performance and factors likely to affect its future performance. Based on the information contained within the accounts the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

At the balance sheet date, the group had net current liabilities and net assets of £2,672,000 (2020: -£2,764,000) and £6,378,000 (2020: £1,506,000) respectively. For the year ended 30 September 2021 the group made a loss before tax of £2,617,000 (2020: -£3,871,000). Despite this the financial statements have been prepared on a going concern basis.

The directors have prepared financial forecasts and are satisfied that the group and the company will be able to operate at least for the next twelve months following the approval of these financial statements. In addition to the usual going concern forecasting process, the directors have prepared additional hypothetical stress-test scenarios that contemplate a material underperformance of the group caused by the partial or occasional reintroduction of lockdown restrictions in parts of the world. The directors do not believe that such scenarios are likely to occur, but if they do then various mitigating actions have been identified that would permit the group to continue as a going concern. It is on this basis that the directors consider it appropriate to prepare the group and company financial statements on a going concern basis.

The Directors consider that the group has access to sufficient funding to meet its financial obligations as they fall due. In forming this decision the directors have taken into account the fact that the company has secured an extension to its revolving cash flow facility of £2,000,000 until July 2024. As a result, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated statement of comprehensive income and consolidated balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 September 2021. The results of

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

1 Accounting policies (*continued*)

subsidiaries sold or acquired are included in the consolidated statement of comprehensive income up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

Goodwill

Goodwill arising on acquisition is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life of 5-10 years. It is reviewed for impairment at the end of the first financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Turnover

Commissions and service agent fees based on bookings are recognised at the date at which it is determined that the service has been fully delivered, usually when the guest checks in. License fees are recognised proportionately over the period of the license with software sales revenue recognised upon the software being installed and operational. All revenue is recorded net of all applicable sales taxes.

Research and development expenditure

The group's policy is as follows:

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 is 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 to 'administrative expenses' on a straight line basis over their expected useful economic lives, which is deemed to be 5 years. Amortisation begins when the intangible asset is available for use, i.e. when it is in the location and condition necessary for it to be usable in the manner intended by management.

The expected useful economic life of development costs are estimated based on business plans which set out the development plan and time to market for the associated project.

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.

Research and development tax credit

Companies within the group may be entitled to claim special tax allowances in relation to qualifying research and development expenditure (e.g. R&D tax credits), using the above the line ('ATL') R&D tax credit scheme. The group accounts for such allowances as tax credits, which means that they are recognised when it is probable that the benefit will flow to the group and that benefit can be reliably measured. R&D tax credits are accounted within administrative expenses reducing the expenditure incurred on the R&D project to which the credit relates. To the extent the amounts due in respect of them are not settled by the balance sheet date, they reduce current tax payable.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings leasehold	-	Over the period of the lease
Computer equipment	-	2-3 years straight line basis
Fixtures, fittings and equipment	-	2-3 years straight line basis

Leased assets: Lessor

Rental income received from operating leases is recognised on a straight line basis over the term of the lease.

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

1 Accounting policies (*continued*)

Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different to those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, 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. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Government Grant

Grants are accounted for under the accruals model as permitted by FRS102. This includes the Government Coronavirus Job Retention Scheme ('furlough') in United Kingdom.

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

1 Accounting policies (*continued*)

Foreign currency translation

a) *Transactions and balances*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the consolidated statement of comprehensive income.

b) *Functional and presentation currency*

items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Pounds Sterling, which is the company's functional and the group's presentation currency. On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. 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. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Pension costs

Contributions to the group's defined contribution pension scheme are charged to profit or loss in the period in which they become payable.

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determining whether there are indicators of impairment of the group's tangible and intangible assets, Investment, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit;
- Determining whether development costs meet the relevant criteria for capitalisation. Factors taken into consideration include the technical, commercial and financial viability of individual projects, the ability to measure costs incurred, and that the sales of the products will generate future economic benefits;
- Recoverability of amounts owed by group undertakings (note 12) – determine whether provisions are required against amounts owed by group undertakings based on the ability of the fellow subsidiary to generate profits and cash.

Other key sources of estimation uncertainty

- *Tangible and intangible assets (see note 10 and note 9)*
Tangible and intangible fixed assets are depreciated and amortised respectively over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

3 Turnover

The total turnover of the group for the year has been derived from its principal activity.

The analysis by geographical area of the group's turnover is set out as below:

	2021 Sales by Destination £'000	2021 Sales by Origin £'000	2020 Sales by Destination £'000	2020 Sales by Origin £'000
United Kingdom	7,426	12,326	8,236	13,584
Rest of the World	4,909	9	5,357	9
	<u>12,335</u>	<u>12,335</u>	<u>13,593</u>	<u>13,593</u>

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

4 Employees

	2021 £'000	2020 £'000
Staff costs for the group during the year:		
Wages and salaries	6,757	7,193
Social security costs	834	812
Pension costs	174	189
	<u>7,765</u>	<u>8,194</u>

The average number of employees (including directors) during the year was as follows:

	2021 Number	2020 Number
Sales	26	26
Research and development	33	35
Finance and administration	20	22
Customer services	32	34
Marketing	8	10
Activation and customer onboarding	23	29
Expert Services/Revenue management	2	5
Market/Business development	7	5
Channel management	3	5
	<u>154</u>	<u>171</u>

A defined contribution pension scheme is operated by the group on behalf of its employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable by the group to the fund and amounted to £174,000 (2020 - £189,000). Contributions amounting to £48,181 (2020 - £25,727) were payable to the fund at year end and are included in creditors.

Furlough claims amounting to £160,800 (2020 - £161,369) have been received during the year.

5 Directors' remuneration

	2021 £'000	2020 £'000
Remuneration for qualifying services	<u>298</u>	<u>319</u>

The emoluments of the highest paid director amounted to £297,500 (2020 - £300,000).

There is one director in the group's defined contribution pension scheme. Contributions into the director's pension fund amounted to £10,000 (2020 - £3,750). During the year, no directors exercised share options (2020 - none).

eviivo Limited

Notes forming part of the financial statements *(continued)*
for the year ended 30 September 2021

6 Operating loss	2021	2020
	£'000	£'000
The group total has been arrived at after charging/(crediting):		
Amortisation of intangible assets	1,807	2,264
Depreciation of tangible assets	146	222
Operating lease rentals	757	873
Auditor's remuneration:		
- audit services	64	53
- taxation compliance services	12	9
Share based payment costs	(182)	63
Research and development costs	1,092	1,078
Research and development tax credit	(109)	(207)
Rental income	(176)	(173)
	<u> </u>	<u> </u>
7 Interest expense		
	2021	2020
	£'000	£'000
Interest payable on bank loan	192	169
	<u> </u>	<u> </u>
	192	169
	<u> </u>	<u> </u>

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

8 Taxation

	2021 £'000	2020 £'000
<i>Domestic current year tax</i>		
UK corporation tax	20	17
Adjustments in respect of previous periods	-	23
	<hr/>	<hr/>
<i>Foreign corporation tax</i>		
Foreign corporation tax	6	7
	<hr/>	<hr/>
Total current tax		47
<i>Withholding tax</i>		
Withholding tax incurred on overseas sales	4	4
	<hr/>	<hr/>
Total tax charge	30	51
	<hr/>	<hr/>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2021 £'000	2020 £'000
Loss on ordinary activities before tax	(2,617)	(3,871)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(497)	(736)
Effects of:		
Expenses not deductible for tax purposes	160	258
R&D expenditure credits	21	17
Adjustments in respect of previous periods	-	23
Withholding tax incurred on overseas sales	(4)	(4)
Deferred tax not recognised	1,228	516
Tax rate differences	(880)	(25)
Utilisation of tax losses brought forward	-	-
Other differences	2	2
	<hr/>	<hr/>
Total tax for period	30	51
	<hr/>	<hr/>

A deferred tax asset of £3,775,951 (2020 - £2,509,422) relating to prior year losses has not been recognised due to the uncertainty around the timing of future taxable profits against which the asset could be utilised.

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

9 Intangible assets

Group	Development costs £'000	Technology and trading Name £'000	Customer relationships £'000	Goodwill £'000	Total £'000
<i>Cost</i>					
At 1 October 2020	8,937	37	1,353	7,340	17,667
Additions	1,123	-	-	-	1,123
Disposals	(6)	-	-	-	(6)
At 30 September 2021	10,054	37	1,353	7,340	18,784
<i>Amortisation</i>					
At 1 October 2020	5,990	37	663	6,438	13,128
Charge for the year	1,118	-	271	418	1,807
Disposals	(6)	-	-	-	(6)
At 30 September 2021	7,102	37	934	6,856	14,929
<i>Net book value</i>					
At 30 September 2021	2,952	-	419	484	3,855
At 30 September 2020	2,947	-	690	902	4,539

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

9 Intangible assets (*continued*)

Company	Development Costs £'000	Customer relationships £'000	Goodwill £'000	Total £'000
Cost				
At 1 October 2020	8,937	790	4,821	14,548
Additions	1,123	-	-	1,123
Disposals	(6)	-	-	(6)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2021	10,054	790	4,821	15,665
	<hr/>	<hr/>	<hr/>	<hr/>
Amortisation				
At 1 October 2020	5,990	317	4,821	11,128
Charge for the year	1,118	158	-	1,276
Disposals	(6)	-	-	(6)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2021	7,102	475	4,821	12,398
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 September 2021	2,952	315	-	3,267
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2020	2,947	473	-	3,420
	<hr/>	<hr/>	<hr/>	<hr/>

The company's intangible assets consist of goodwill associated with the previous acquisition of the trade and assets of Hotel Solutions Direct Limited and the development costs of the company's software product. Development costs are amortised on a straight-line basis over 5 years from the date of commercialisation, customer relationships are amortised on a straight-line basis over 5 years from the date of acquisition, and goodwill is amortised on a straight line basis over 5 - 10 years from the date of acquisition.

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

10 Tangible assets				
Group	Land and buildings leasehold £'000	Computer Equipment £'000	Fixtures, fittings and Equipment £'000	Total £'000
<i>Cost</i>				
At 1 October 2020	104	1,067	607	1,778
Additions	-	16	-	16
Exchange Adjustment		(2)		(2)
Disposals	-	(14)	-	(14)
	<u>104</u>	<u>1,067</u>	<u>607</u>	<u>1,778</u>
At 30 September 2021	104	1,067	607	1,778
<i>Depreciation</i>				
At 1 October 2020	104	950	496	1,550
Charge for the year	-	94	52	146
Disposals	-	(14)	-	(14)
	<u>104</u>	<u>1,030</u>	<u>548</u>	<u>1,682</u>
At 30 September 2021	104	1,030	548	1,682
<i>Net book value</i>				
At 30 September 2021	-	36	60	96
	<u>-</u>	<u>36</u>	<u>60</u>	<u>96</u>
At 30 September 2020	-	117	111	228
	<u>-</u>	<u>117</u>	<u>111</u>	<u>228</u>
Company				
<i>Cost</i>				
At 1 October 2020	104	1,025	492	1,621
Additions	-	16	-	16
Disposals	-	(14)	-	(14)
	<u>104</u>	<u>1,027</u>	<u>492</u>	<u>1,623</u>
At 30 September 2021	104	1,027	492	1,623
<i>Depreciation</i>				
At 1 October 2020	104	918	433	1,455
Charge for the year	-	86	28	114
Disposals	-	(14)	-	(14)
	<u>104</u>	<u>990</u>	<u>461</u>	<u>1,555</u>
At 30 September 2021	104	990	461	1,555
<i>Net book value</i>				
At 30 September 2021	-	37	31	68
	<u>-</u>	<u>37</u>	<u>31</u>	<u>68</u>
At 30 September 2020	-	107	59	166
	<u>-</u>	<u>107</u>	<u>59</u>	<u>166</u>

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

11 Investments

Company	Shares in Group Undertakings £'000
<i>Cost and net book value</i>	
At 1 October 2020	1,966
Additions	-
	<hr/>
At 30 September 2021	1,966
	<hr/> <hr/>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Subsidiary undertakings

The company has the following subsidiary undertakings:

Company	Country of registration or Incorporation	Class	Shares held %
<i>Subsidiary undertakings</i>			
eviivo Europe Limited	UK	Ordinary	100
eviivo France SAS	France	Ordinary	100
eviivo Labs SARL	Tunisia	Ordinary	100
eviivo Tunisie	Tunisia	Ordinary	100
eviivo GmbH	Germany	Ordinary	100
eviivo Italia SRL	Italy	Ordinary	100
eviivo SL	Spain	Ordinary	100
eviivo Inc	USA	Ordinary	100
eviivo Morocco SARL	Morocco	Ordinary	100

eviivo Limited

**Notes forming part of the financial statements (continued)
for the year ended 30 September 2021**

11 Investments (continued)

The principal activity of these undertakings for the last relevant financial year was as follows;

Company	Principal activity	Registered address
eviivo Europe Limited	Dormant	Camburgh House, 27 New Dover Road, Canterbury, Kent, CT1 3DN.
eviivo France SAS	Providing support services to eviivo Limited	42, Cours Suchet 69002 Lyon
eviivo Labs SARL	Providing support services to eviivo Limited	Angle Rue de la Bourse & Rue du Corail, Immeuble Mimosa 1er Étage, 1053 Les Jardins du Lac 2, Tunisia
eviivo Tunisie	Providing support services to eviivo Limited	Angle Rue de la Bourse & Rue du Corail, Immeuble Mimosa 1er Étage, 1053 Les Jardins du Lac 2, Tunisia
eviivo GmbH	Providing support services to eviivo Limited	Konigsallee 92a, 40212 Dusseldorf, Germany
eviivo Italia SRL	Providing support services to eviivo Limited	Via Silvio Pellico ,24 Rome - 00195, Italy
eviivo SL	Providing support services to eviivo Limited	Avenida Riera Principal 8, 08328 Alella (Barcelona), Spain
eviivo Inc	Providing support services to eviivo Limited	8 The Green, Suite 6,349 Dover, DE 19901
eviivo Morocco SARL	Providing support services to eviivo Limited	39 – Av. Lalla Yacout, 5ème étage, Appt. D – Casablanca, Morocco

All subsidiary undertakings are included in these consolidated financial statements.

12 Debtors

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Trade debtors	132	319	92	245
Amounts owed by group undertakings		-	2,547	2,377
Corporation tax	159	191	159	188
Other debtors	3,121	3,763	3,086	3,682
Prepayments and accrued income	2,572	1,666	2,348	1,443
	5,984	5,939	8,232	7,935

Other debtors includes an amount due from a Director of £1,123,552 (2020 - £2,048,029). Refer note 21 for details.

eviivo Limited

Notes forming part of the financial statements (continued)
for the year ended 30 September 2021

13 Creditors: amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Bank loans and overdrafts	-	3,500	-	3,500
Other loans (note 24)	-	3,000	-	3,000
Trade creditors	826	1,334	696	1,088
Amounts owed to group undertakings	-	-	65	56
Taxation and social security costs	779	1,105	570	957
Other creditors	6,411	3,779	6,380	5,643
Accruals and deferred income	1,738	1,762	1,351	1,397
	<u>9,754</u>	<u>16,480</u>	<u>9,062</u>	<u>15,641</u>

The bank loan represents a revolving cash flow facility of £3.5m, secured against the assets of the group, and provided at a margin of 5.25% points above the Bank of England base rate. The amount of £Nil was drawn down as at September 2021 (2020 - £3.5m) and the facility was fully repaid in September 2021.

Following the balance sheet date, a new revolving cash flow facility of £2.0m was secured at an interest rate of 6.0% points above the Bank of England base rate, and with an expiry date of 25th November 2022.

In September 2022 the £2.0m facility was extended at an interest rate of 6.5% points above the Bank of England base rate, and with an expiry date of 1st July 2024.

Within other creditors is client money amounting to £6,278,000 (2020 - £5,210,000). This is represented by equivalent amounts in the cash balances and other debtors.

14 Creditors: amounts falling due after more than one year

	Group and Company 2021 £'000	Group and Company 2020 £'000
Rent discount over the operating lease	-	59
	<u>-</u>	<u>59</u>

Total of group future minimum lease payments under hire purchase contracts and rent discount over the operating lease period:

	Rent discount 2021 £'000	Rent discount 2020 £'000
Not later than 1 year	59	94
Later than 1 year and not later than 5 years	-	59
	<u>59</u>	<u>153</u>
Total	<u>59</u>	<u>153</u>

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

15 Provision for liabilities

Group	Other Provisions £'000	Dilapidation Provision £'000	Deferred tax Liabilities £'000	Total £'000
As at 30 September 2020	208	128	102	438
Additions	-	15	-	15
Released during the year	(208)	-	-	(208)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 30 September 2021	-	143	102	245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Company				
As at 30 September 2020	208	128	-	336
Additions	-	15	-	15
Released during the year	(208)	-	-	(208)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 30 September 2021	-	143	-	143
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Dilapidations provision expected to be utilised at the end of rental lease on 31 March 2022.

Other provisions released as a reduction against Administrative expenses in the statement of comprehensive income. There is no present obligation to pay commissions on bookings taken via a distribution partner after that partner went into administration.

16 Financial instruments

The Group's and Company's financial instruments may be analysed as follows:

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Financial assets				
Financial assets that are measured at amortised cost	11,220	13,147	12,987	14,585
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Financial liabilities				
Financial liabilities measured at amortised cost	8,678	15,099	8,215	14,427
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, amounts owed to group undertakings, accruals and other creditors.

Information regarding the Group's exposure to and management of credit risk, liquidity risk, market risk, cash flow interest rate risk and foreign exchange risk is included in the directors' report.

eviivo Limited

Notes forming part of the financial statements (continued)
for the year ended 30 September 2021

17 Employee share schemes

Share based payments

eviivo Limited operates an equity-settled share based remuneration scheme for employees. All UK employees are eligible to participate in the long term incentive scheme, the only vesting condition being that the individual remains an employee of the group over the vesting period.

The options all vest in 12 equal tranches over three years from grant with the first tranche vesting after three months and subsequent tranches vesting at three-monthly intervals thereafter.

The terms and conditions of grants are as follows:

	2021 Weighted Average Exercise Price (pence)	2021 Number of Options	2020 Weighted Average Exercise Price (pence)	2020 Number of Options
Outstanding at the beginning of the year	48	7,345,070	49	7,829,070
Granted during the year	-	-	-	-
Forfeited during the year	45	(970,740)	54	(484,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the year	49	6,374,330	48	7,345,070
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at the end of the year	47	626,262	46	558,459
	<hr/>	<hr/>	<hr/>	<hr/>

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a binomial model. Measurement inputs and assumptions are as follows:

	2021	2020
Fair value at measurement date (pence)	31	31
Weighted average share price at grant date (pence)	57	57
Exercise price (pence)	57	57
Expected volatility	59%	59%
Expected term	5.8 Years	5.8 years
Risk free interest rate	0.58%	0.58%

The expected volatility is estimated using the average volatility of a basket of comparator companies.

The total expense recognised for the year from share based payments are as follows:

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Equity settled share based payments	(182)	63	(182)	63
	<hr/>	<hr/>	<hr/>	<hr/>

eviivo Limited

Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

18 Share capital

	Allotted, called up and fully paid			
	2021 Number	2020 Number	2021 £'000	2020 £'000
Ordinary shares of £0.00001 each	10,268,673	10,004,621	-	-
Preference shares of £0.00001 each	1,015,066	-	-	-
Special shares of £0.00001 each	3	3	-	-
	<u>11,283,742</u>	<u>10,004,624</u>	<u>-</u>	<u>-</u>

In December 2020 1,015,066 Preference shares of £0.00001 each were issued at a price of £6.00 per share for an aggregate consideration of £6,090,396. The premium was credited to the share premium account.

In July 2021 264,052 Ordinary shares of £0.00001 each were issued at a price of £5.70 per share for an aggregate consideration of £1,505,096. The premium was credited to the share premium account.

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

The preference shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

The special shares have no voting rights, no rights to receive dividends and no rights to participate in the capital or assets of the company. The shares may be redeemed on an exit at the agreed non-participating share redemption price.

19 Reserves

The group and company's reserves are as follows:

- The share capital reserve represents the nominal value of the shares issued.
- The share premium reserve includes the premium on issue of equity shares, net of any issue costs.
- The share option reserve is used to recognise the cumulative charge for share options issued to employees but not exercised, based on their grant date fair value.
- The retained earnings account represents cumulative profits or losses, net of dividends paid and other adjustments.

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Notes forming part of the financial statements (*continued*)
for the year ended 30 September 2021

20 Commitments under operating leases

Lessee

As at 30 September 2021, the group had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings 2021 £'000	Other 2021 £'000	Land and buildings 2020 £'000	Other 2020 £'000
Operating leases which expire:				
Within one year	420	1	787	2
In two to five years	143	-	516	1
In over five years	-	-	-	-
	563	1	1,303	3

As at 30 September 2021, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings 2021 £'000	Other 2021 £'000	Land and buildings 2020 £'000	Other 2020 £'000
Operating leases which expire:				
Within one year	322	1	644	2
In two to five years	-	-	322	1
	322	1	966	3

Lessor

The group leases out property under non-cancellable operating leases for the following minimum lease payments:

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Operating leases which expire:				
Within one year	176	176	176	176

The company sub-letting a minority part of leased premises where it carries on its normal business.

Notes forming part of the financial statements *(continued)*
for the year ended 30 September 2021

21 Related party relationships and transactions

The company has taken advantage of the exemption allowed by FRS 102 not to disclose transactions with members of the group on the grounds that the company wholly owns group members and all subsidiary companies are included in the financial statements.

As at 30 September, 2021, Michele Fitzpatrick (Director) owed the company £1,774,767 (2020 - £2,154,000) in the nature of deferred consideration in respect of shares issued on 3 January 2013. This deferred consideration is due on 31 March 2026. This has been accounted at its fair value on the date of extension of the agreement by a period of 5 years in March 2021 and subsequently carried at amortised cost. Accordingly an amount of £1,123,552 (2020 - £2,048,029) is included within other debtors (refer note 12). The movement in retained earnings on account of deferred share consideration is (£106,035) (2020 - £228,552) for the year.

Key management personnel include all directors across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personal for services provided to the group was £297,500 (2020 - £318,750).

22 Ultimate parent undertaking and controlling party

The company is controlled by Eyra Holdings Limited, a company registered in the Cayman Islands.

The ultimate controlling party is Investcorp Bank B.S.C incorporated in Bahrain.

23 Other Operating Income

	2021 £'000	2020 £'000
Furlough Claims	161	161
Rental Income	176	176
	<hr/>	<hr/>
Total	337	337
	<hr/>	<hr/>

Furlough claims amounting to £160,800 (2020 - £161,369) have been received during the year.

Rental income is derived from the sub-letting of a minority part of the company's leased premises where it carries on its normal business. Since this is not considered to be part of the main revenue generating activities, the Group has presented this separately from revenue.

24 Post balance sheet events

In November 2021, a new revolving cash flow facility of £2.0m was secured at an interest rate of 6.0% points above the Bank of England base rate, and with an expiry date of 25th November 2022.

In September 2022 the same £2.0m facility was extended at an interest rate of 6.5% points above the Bank of England base rate, and with an expiry date of 1st July 2024.