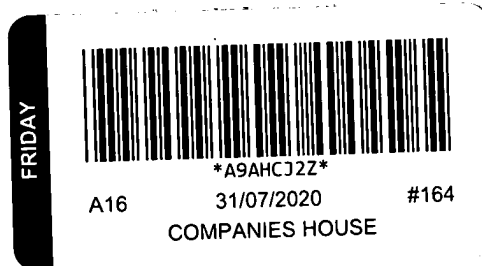


Company Registration No. 07011600 (England and Wales)

CORVIA LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2019



CORVIA LIMITED

COMPANY INFORMATION

Directors	Mr J A Clarfelt Mr N Warman Mrs L J Stone
Secretary	Mr N Warman
Company number	07011600
Registered office	Marlborough House Charnham Lane Hungerford RG17 0EY
Auditor	RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU

CORVIA LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The directors present the strategic report for the year ended 31 August 2019.

Fair review of the business

Corvia Limited is one of three subsidiaries of Ishtar TopCo Limited; Ishtar MidCo Limited, and Ishtar BidCo Limited being the other two. The Group provide smart ticketing for the public transport sector, trading under the 'TICKETER' brand. Ishtar TopCo Limited was incorporated on 8th August 2018 in order to facilitate a management buy-out with the support of Tenzing Private Equity

Corvia Limited, exhibited strong organic growth and reported turnover of £21m (2018 - £15m). Recurring revenue, which comprises over 40% of turnover grew by 47% in the year and contributed to a gross profit of £12.8m (2018 - £8.6m).

The private equity investment has enabled the Group to invest heavily in an expanded team to deliver against customer demands and to create a platform for scaleable growth with employee numbers growing by 34% during the year and resulted in a planned increase in overheads to £0.3m.

The business remains on a strong financial footing, with the main Corvia Limited reporting a profit before tax of £3.9m and cash resources of £4.1m.

Key performance indicators

The directors consider turnover, which in 2019 saw growth of 42% against the balance in 2018 including a 47% increase of recurring revenue against the prior period, gross profit, which increased by 49% against the prior period and cash at bank and in hand which remained at £4.1m against the prior period to be key to understanding the business as set out above.

Principal risks and uncertainties

The management of the Group and the execution of the Group's strategy are subject to a number of risks. The principal risks affecting the Group's business are outlined below:

Economic risk

The Group currently has a significant focus on the UK markets and as such may be affected by changes in the UK economic outlook.

Supplier risk

A fundamental part of the Group's business is dependent on the provision of ETMs and other key component parts being provided by one key supplier and the company maintain an excellent working relationship with this supplier.

Financial risk

The Group activities expose it to a number of financial risks including costs, the nature of commercial contracts, borrowings, insurances and other financial risks. The group's financial instrument comprises borrowings, cash and other items such as trade debtors and trade creditors arising from operations. The main risks arising from these financial instruments are credit risk and liquidity risk.

Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation resulting in financial loss. The Group's principal financial assets re trade receivables and bank balances. The Group's credit risks attributable to trade receivables is not subject to significant concentration of credit risks, with exposure spread over a large number of customers.

Liquidity risk

This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation by regular review with its operations teams and applying cash collection targets throughout the Group.

CORVIA LIMITED

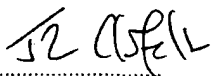
STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Going concern and post balance sheet events

Post year end, the COVID-19 pandemic has arisen causing a negative impact on the global economy and general business activities. The Directors have considered the impact of the Pandemic on the company and at the time of approving the financial statements the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future despite the impact of COVID-19. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Further detail of the measures taken by Directors and the going concern considerations made can be seen in the accounting policies included in the notes to the financial statements.

On behalf of the board



Mr J A Clarfelt

Director

Date: 29 July 2020

CORVIA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their annual report and financial statements for the year ended 31 August 2019.

Principal activities

The principal activity of the company continued to be that of the development and supply of integrated, online transport solutions.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J A Clarfelt	
Mr G S A Montgomery	(Resigned 6 April 2020)
Mr R Guy	(Resigned 29 September 2018)
Mr N Warman	(Appointed 8 October 2019)
Mrs L J Stone	(Appointed 8 October 2019)

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

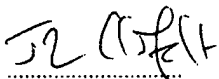
Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of discussions relating to financial and other risk management objectives and policies.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr J A Clarfelt
Director

Date: 29th July 2020

CORVIA LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

The directors are responsible for preparing the Strategic Report and 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORVIA LIMITED

Opinion

We have audited the financial statements of Corvia Limited (the 'company') for the year ended 31 August 2019 which comprise the statement of comprehensive income, the statement of financial position, the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORVIA LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit LLP

Neil Mellor (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Davidson House

Forbury Square

Reading

Berkshire, RG1 3EU

30 July 2020

CORVIA LIMITED

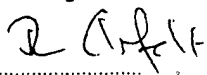
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2019

		2019	2018
	Notes	£	£
Turnover	3	21,954,390	14,692,227
Cost of sales		(8,438,704)	(6,132,351)
Gross profit		<u>13,515,686</u>	<u>8,559,876</u>
Other administrative expenses		(6,887,127)	(4,922,426)
Earnings before interest, tax, depreciation and amortisation		6,628,559	3,637,450
Depreciation and amortisation		(2,442,878)	(1,656,285)
Operating profit		4,185,681	1,981,165
Administrative expenses		(9,330,005)	(6,578,711)
Operating profit	6	<u>4,185,681</u>	<u>1,981,165</u>
Interest receivable and similar income	7	1,325	9
Interest payable and similar expenses	8	(306,524)	(189,354)
Profit before taxation		<u>3,880,482</u>	<u>1,791,820</u>
Tax on profit	9	(291,228)	(499,635)
Profit for the financial year		<u><u>3,589,254</u></u>	<u><u>1,292,185</u></u>

CORVIA LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2019**

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	10	3,633,209		2,340,228	
Tangible assets	11	4,621,303		6,324,265	
		<u>8,254,512</u>		<u>8,664,493</u>	
Current assets					
Stocks	14	2,218,343		1,898,071	
Debtors	15	5,935,795		4,289,197	
Cash at bank and in hand		4,124,801		4,150,624	
		<u>12,278,939</u>		<u>10,337,892</u>	
Creditors: amounts falling due within one year	17	<u>(6,334,254)</u>		<u>(7,146,786)</u>	
Net current assets		<u>5,944,685</u>		<u>3,191,106</u>	
Total assets less current liabilities		<u>14,199,197</u>		<u>11,855,599</u>	
Creditors: amounts falling due after more than one year	18	(4,037,294)		(5,450,111)	
Provisions for liabilities	21	(668,279)		(513,318)	
Net assets		<u>9,493,624</u>		<u>5,892,170</u>	
Capital and reserves					
Called up share capital	25	30,000		29,000	
Share premium account	26	496,750		485,550	
Profit and loss reserves	26	8,966,874		5,377,620	
Total equity		<u>9,493,624</u>		<u>5,892,170</u>	

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:


.....
Mr JA Clarfelt
Director

29th July 2020

CORVIA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2017		29,000	485,550	4,085,435	4,599,985
Year ended 31 August 2018:					
Profit and total comprehensive income for the year		-	-	1,292,185	1,292,185
Balance at 31 August 2018		29,000	485,550	5,377,620	5,892,170
Year ended 31 August 2019:					
Profit and total comprehensive income for the year		-	-	3,589,254	3,589,254
Issue of share capital	25	1,000	11,200	-	12,200
Balance at 31 August 2019		30,000	496,750	8,966,874	9,493,624

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

Company information

Corvia Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Marlborough House, Charnham Lane, Hungerford, RG17 0EY.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Corvia Limited is a wholly owned subsidiary of Ishtar Bidco Limited and the results of Corvia Limited are included in the consolidated financial statements of Ishtar Topco Limited which are available from Marlborough House, Charnham Lane, Hungerford, RG17 0EY.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (Continued)

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have taken measures to counter the potential impact of COVID-19 on the operations of the company and the resultant impact on its financial position. Whilst the risks cannot be completely mitigated and therefore some level of future uncertainty remains, the directors have reviewed detailed forecasts and consider the company is able to continue meeting its liabilities as they fall due in the foreseeable future which is considered to be a period of 12 months from the date of approving the financial statements. In particular the directors have considered the forecast level of cash held by the company and consider that a sufficient level of cash shall be held for the company to meet its liabilities. Management has applied reasonable downside scenarios to stress test the financial forecasts and with these scenarios included still consider that management hold a sufficient level of cash for the company to continue to trade and meets its liabilities for a period of 12 months from signing the financial statements.

Management has also taken into account the recent public announcement by one of its largest customers to going concern issues it is having, and for numerous mitigating factors, does not believe this announcement to present a material risk to their assessment of the going concern position of the company.

On this basis, the directors consider it appropriate to prepare these financial statements on the going concern basis.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	Straight line over 5 years
Development costs	Straight line over 5 years

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Plant, fixtures and fittings	Straight line over 4 years
Computer and office equipment	Straight line over 4 years
Equipment for rental	Straight line over period of rental

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

Interests in subsidiaries, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Stocks

Stock is valued on a first-in-first-out basis at the lower of cost and net realisable value, after making due allowance for slow moving stock.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Warranty provision

The company has a warranty provision in place to provide for expected costs relating to the repair of hardware which the company have sold. The provision is an estimate of the expected cost of warranty repairs for hardware sold in the period. The warranty provision held at the year end was £178,554 and is included within accruals.

Capitalisation and amortisation of Research and Development (R&D)

In accordance with the accounting policies of the company, any R&D costs which do not meet the criteria of development costs are expensed to profit and loss as they are incurred. Costs which meet the criteria of development costs as per FRS102 are capitalised as intangible assets and amortised over a three year period once projects are completed, which management consider to be the useful economic life of the development costs capitalised. The costs reflect third party costs as well as the capitalisation of staff costs involved in the development projects. Costs have been capitalised of £202,072 in the period.

Lessor accounting - classification of leases

The company leases hardware to a number of customers. A determination has to be made by management which consider whether the leases with those customers reflects an operating and finance lease, as the determination will impact the accounting for the hardware sold and the recognition of revenue. In making the determination management consider the substance of the transaction as detailed in FRS102.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Sales of goods	14,688,222	10,393,168
Sales of services	7,266,168	4,299,059
	<u>21,954,390</u>	<u>14,692,227</u>
	2019	2018
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>21,954,390</u>	<u>14,692,227</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Customer support	12	8
Development	26	14
Finance	4	3
HR	3	2
Implementation and support	4	4
Management	4	7
Marketing	2	-
Operations	12	10
Product management	4	5
Sales	3	2
	<u>74</u>	<u>55</u>

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	2,646,444	2,507,277
Social security costs	334,682	235,862
Pension costs	112,220	64,821
	<u>3,093,346</u>	<u>2,807,960</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

5 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	11,817	325,649
Company pension contributions to defined contribution schemes	817	-
	<u>12,634</u>	<u>325,649</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	n/a	130,000

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

6 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	13,602	(4,797)
Fees payable to the company's auditor for the audit of the company's financial statements	19,500	19,500
Depreciation of owned tangible fixed assets	1,502,597	844,191
(Profit)/loss on disposal of tangible fixed assets	-	194,469
Amortisation of intangible assets	940,281	812,094
Operating lease charges	365,506	316,665

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to a loss of £13,602 (2018 - a gain of £4,797).

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	1,325	9

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

8 Interest payable and similar expenses

	2019	2018
	£	£
Interest on bank overdrafts and loans	35,969	31,405
Interest on finance leases and hire purchase contracts	270,555	157,949
	<u>306,524</u>	<u>189,354</u>

9 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	158,112	-
Adjustments in respect of prior periods	(21,845)	(13,683)
Total current tax	<u>136,267</u>	<u>(13,683)</u>
Deferred tax		
Origination and reversal of timing differences	154,779	513,318
Adjustment in respect of prior periods	182	-
Total deferred tax	<u>154,961</u>	<u>513,318</u>
Total tax charge	<u>291,228</u>	<u>499,635</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

9 Taxation (Continued)

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	3,880,482	1,791,820
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	737,292	340,446
Tax effect of expenses that are not deductible in determining taxable profit	74,148	762
Adjustments in respect of prior years	(21,845)	-
Effect of change in corporation tax rate	(18,210)	(15,572)
Group relief	(248,253)	-
Permanent capital allowances in excess of depreciation	477	329
Research and development tax credit	30,041	(193,609)
Other permanent differences	(262,604)	-
Under/(over)-provided in prior years	-	(13,683)
Deferred tax adjustments in respect of prior years	182	-
Deferred tax not recognised	-	380,962
Taxation charge for the year	291,228	499,635

10 Intangible fixed assets

	Software £	Development costs £	Total £
Cost			
At 1 September 2018	4,558,262	940,162	5,498,424
Additions - separately acquired	2,031,190	202,072	2,233,262
At 31 August 2019	6,589,452	1,142,234	7,731,686
Amortisation and impairment			
At 1 September 2018	2,594,780	563,416	3,158,196
Amortisation charged for the year	833,041	107,240	940,281
At 31 August 2019	3,427,821	670,656	4,098,477
Carrying amount			
At 31 August 2019	3,161,631	471,578	3,633,209
At 31 August 2018	1,963,482	376,746	2,340,228

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

11 Tangible fixed assets

	Leasehold improvements	Plant, fixtures and fittings	Computer and office equipment	Equipment for rental	Total
	£	£	£	£	£
Cost					
At 1 September 2018	25,108	78,381	104,646	7,063,497	7,271,632
Additions	-	93,634	23,119	22,372	139,125
Disposals	-	-	-	(367,785)	(367,785)
At 31 August 2019	25,108	172,015	127,765	6,718,084	7,042,972
Depreciation and impairment					
At 1 September 2018	2,551	54,554	57,787	832,475	947,367
Depreciation charged in the year	2,509	24,818	19,365	1,455,905	1,502,597
Eliminated in respect of disposals	-	-	-	(28,295)	(28,295)
At 31 August 2019	5,060	79,372	77,152	2,260,085	2,421,669
Carrying amount					
At 31 August 2019	20,048	92,643	50,613	4,457,999	4,621,303
At 31 August 2018	22,557	23,827	46,859	6,231,022	6,324,265

12 Fixed asset investments

	2019 £	2018 £
Investments in subsidiaries	-	-

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 September 2018 & 31 August 2019	1
Impairment	
At 1 September 2018 & 31 August 2019	1
Carrying amount	
At 31 August 2019	-
At 31 August 2018	-

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

13 Subsidiaries

Details of the company's subsidiaries at 31 August 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Ticketer Limited	a)	Dormant company	Ordinary	100.00	-

a) Marlborough House, Charnham Lane, Hungerford, England, RG17 0EY.

14 Stocks

	2019 £	2018 £
Finished goods and goods for resale	2,218,343	1,898,071

15 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	3,356,344	2,426,447
Amounts owed by group undertakings	344,917	-
Finance leases receivable	489,563	-
Other debtors	1,171,076	1,174,871
Prepayments and accrued income	573,895	149,406
	<u>5,935,795</u>	<u>3,750,724</u>
Amounts falling due after more than one year:		
Finance leases receivable	-	538,473
	<u>-</u>	<u>538,473</u>
Total debtors	<u>5,935,795</u>	<u>4,289,197</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

16 Finance lease receivables

	2019	2018
	£	£
Gross amounts receivable under finance leases:		
Within one year	489,563	-
In the second to fifth years inclusive	-	538,473
	<u>489,563</u>	<u>538,473</u>
Unearned finance income	-	-
	<u>489,563</u>	<u>538,473</u>
Present value of minimum lease payments receivable	<u>489,563</u>	<u>538,473</u>
The present value is receivable as follows:		
Within one year	489,563	-
In the second to fifth years inclusive	-	538,473
	<u>489,563</u>	<u>538,473</u>

Analysis of finance leases

The company enters into financial leasing arrangements for equipment supplied. The average term of finance leases entered into is five years.

17 Creditors: amounts falling due within one year

	Notes	2019	2018
		£	£
Bank loans and overdrafts	19	217,825	217,825
Obligations under finance leases	20	1,146,898	1,146,898
Trade creditors		931,061	2,151,584
Amounts owed to group undertakings		133,203	-
Corporation tax		158,112	21,845
Other taxation and social security		446,938	351,493
Deferred income	23	1,994,472	2,320,392
Other creditors		286,000	240,153
Accruals		1,019,745	696,596
		<u>6,334,254</u>	<u>7,146,786</u>

18 Creditors: amounts falling due after more than one year

	Notes	2019	2018
		£	£
Bank loans and overdrafts	19	633,571	859,595
Obligations under finance leases	20	3,403,723	4,590,516
		<u>4,037,294</u>	<u>5,450,111</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

19 Borrowings

	2019	2018
	£	£
Bank loans	851,396	1,077,420
Payable within one year	217,825	217,825
Payable after one year	633,571	859,595

The bank loans represent the financing of installation costs on certain equipment that the Company has rented out to customers on five year rental agreements. The bank loans are from Lombard Technology Services Limited and were drawn down in 2017 and 2018. They are secured against the installation element of rental income receivable by the Company under signed rental contracts.

20 Finance lease obligations

	2019	2018
	£	£
Future minimum lease payments due under finance leases:		
Less than one year	1,146,898	1,146,898
Between one and five years	3,403,723	4,590,516
	4,550,621	5,737,414

The finance lease liabilities represent the financing for equipment that the Company has rented out to customers on five year rental agreements. The finance lease liabilities are with Lombard Technology Services Limited and were drawn down during 2017 and 2018. They are secured against the hardware rental income receivable by the Company under signed rental contracts.

21 Provisions for liabilities

	2019	2018
Notes	£	£
Deferred tax liabilities	668,279	513,318

22 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2019	Liabilities 2018
	£	£
Balances:		
Accelerated capital allowances	668,279	513,318

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

22 Deferred taxation (Continued)

	2019
Movements in the year:	£
Liability at 1 September 2018	513,318
Charge to profit or loss	154,961
Liability at 31 August 2019	<u>668,279</u>

The deferred tax liability set out above is expected to reverse within the foreseeable future and relates to accelerated capital allowances that are expected to mature within the same period.

23 Deferred income

	2019	2018
	£	£
Deferred income	<u>1,994,472</u>	<u>2,320,392</u>

Deferred income relates to customer payments received in advanced.

24 Retirement benefit schemes

	2019	2018
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>112,220</u>	<u>64,821</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the year end, included in creditors due within one year, are amounts of £25,399 (2018: £19,285) in relation to contributions payable to employees' personal pension schemes.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

25 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
600,000 Ordinary shares of 5p each	30,000	9,000
400,000 A Ordinary shares of 5p each	-	20,000
	<u>30,000</u>	<u>29,000</u>

Each Ordinary share and each A Ordinary share carry equal voting and dividend rights. Upon a sale of the Company or return of capital, the Ordinary and A Ordinary shareholders are entitled to an Initial Return, representing the amount subscribed for their shares (including share premium), the excess over the Initial Return will be divided pro rata between the Ordinary and A Ordinary shareholders in proportion to the aggregate total number of Ordinary and A Ordinary shares in issue immediately prior to the sale of winding up of the Company.

On 29 September 2018, the Company issued 20,000 5p shares for cash consideration of 61p per share. Additionally on this date, all the A Ordinary shares in the Company were converted into Ordinary shares.

26 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

27 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	628,348	307,686
Between one and five years	598,261	213,258
In over five years	101,667	141,667
	<u>1,328,276</u>	<u>662,611</u>

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

27 Operating lease commitments (Continued)

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2019 £	2018 £
Within one year	3,384,521	3,600,999
Between one and five years	6,873,259	11,123,690
	<u>10,257,780</u>	<u>14,724,689</u>

28 Events after the reporting date

Subsequent to the company's financial year end, the World Health Organization (WHO) announced on 31 January 2020 a global health emergency related to a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the associated risks to international communities, and the global economy, as the virus spreads beyond its point of origin. On 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic due to a rapid increase in global exposures. These events are having a significant negative impact on global stock markets, currencies, and general business activities. The timing and extent of the impact and recovery from the COVID-19 outbreak is unknown but may have an impact on the company's activities in an uncertain global market.

29 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Consultancy services		Rent paid	
	2019 £	2018 £	2019 £	2018 £
Entities with a common director	<u>21,769</u>	<u>115,341</u>	<u>41,074</u>	<u>-</u>
			2019 £	2018 £
Amounts due to related parties				
Entities with a common director			<u>-</u>	<u>11,928</u>

30 Directors' transactions

At the year end, the Company owed £nil (2018: £743) to John Clarfelt, who is a director of the company, for outstanding expenses.

At the year end, the Company owed £130 (2018: £173) to Richard Guy, who was a director of the company until 29 September 2018, for outstanding expenses.

CORVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

31 Ultimate controlling party

The immediate parent and the parent of the smallest and largest group for which consolidated financial statements are drawn up of which the company is a member is Ishtar Topco Limited a company incorporated in England and Wales. The consolidated financial statements are available from their registered office at Marlborough House, Charnham Lane, Hungerford, RG17 0EY.

The ultimate parent company is Tenzing PE 1 GP LLP, a company incorporated in England and Wales with a registered office of 50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ.