

REGISTERED NUMBER: 11972415 (England and Wales)

**REPORT OF THE DIRECTORS AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
VEOVO UK LIMITED**



VEOVO UK LIMITED (REGISTERED NUMBER: 11972415)

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for the Year Ended 30 September 2021**

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COMPANY INFORMATION
for the Year Ended 30 September 2021

DIRECTORS: J Priggen (Appointed 28 February 2022)
J Williamson (Appointed 26 March 2020)

REGISTERED OFFICE: 203 Eversholt Street
London
NW1 1BU

REGISTERED NUMBER: 11972415 (England and Wales)

AUDITOR: Ernst & Young LLP
1 More London Place
London
SE1 2AF

**REPORT OF THE DIRECTORS
for the Year Ended 30 September 2021**

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of information technology consultancy activities.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2020 to the date of this report.

J Priggen	Appointed 28 February 2022
J Williamson	Appointed 26 March 2020

Other changes in directors holding office are as follows:

R Bartlett	Resigned 24 September 2021
D Dyamond	Appointed 8 October 2021, Resigned 4 March 2022
A.J Spence	Resigned 28 February 2022
G K Miles	Appointed 1 October 2020, Resigned 11 January 2021

TRANSFER FROM GENTRACK UK LIMITED

On 1 October 2020, Gentrack UK Limited split its business between the provision of software and services to the airports and utilities sectors (the "Airports" and "Utilities" businesses respectively) and transferred the Airports business at net book value to Veovo UK Limited. Both Gentrack UK Limited and Veovo UK Limited share the same ultimate parent.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

VEOVO UK LIMITED (REGISTERED NUMBER: 11972415)
REPORT OF THE DIRECTORS (continued)
for the Year Ended 30 September 2021

AUDITOR

Ernst & Young LLP acted as auditors during the period. A resolution to reappoint them as auditors will be proposed at the forthcoming general meeting at which this report and financial statements are presented.

ON BEHALF OF THE BOARD:



J Priggen
Director
203 Eversholt Street
London NW1 1BU

Date: 14 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VEOVO UK LIMITED

Opinion

We have audited the financial statements of Veovo UK Limited for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 11 to 20, 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 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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 company's ability to continue as a going concern for a period of 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the 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:

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VEOVO UK LIMITED (continued)**

- 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 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 2 - 3, 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.

Explanation as to what extent the audit was considered 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant tax compliance regulations in the United Kingdom.
- We understood how Veovo UK Limited is complying with those frameworks by making inquiries of management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes and papers provided to those charged with governance, as well as consideration of the results of our audit procedures over the company's financial statements.


**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VEOVO UK LIMITED (continued)**

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual non-standard journals and journals indicating large or unusual transactions based on our understanding of the business; inquiries of those responsible for legal and compliance of the company and management; and focused testing. In addition, we completed procedures to conclude on the compliance of the disclosures in the annual report and accounts with all applicable requirements.

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

Use of our report

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

DocuSigned by:

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William Testa (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London, United Kingdom

14 September 2022

INCOME STATEMENT
for the Year Ended 30 September 2021

	Notes	2021 £	2020 £
TURNOVER	3	2,599,582	-
Cost of sales		<u>(1,212,329)</u>	<u>-</u>
GROSS PROFIT		1,387,252	-
Administrative expenses		<u>(1,068,990)</u>	<u>-</u>
OPERATING PROFIT		318,262	-
Interest receivable and similar income	5A	<u>13,284</u>	<u>-</u>
Interest Payable and similar expenses	5	<u>(210)</u>	<u>-</u>
PROFIT BEFORE TAXATION	6	331,336	-
Tax on Profit	7	<u>(50,588)</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>280,748</u></u>	<u><u>-</u></u>

The accompanying notes form part of the financial statements

**STATEMENT OF OTHER COMPREHENSIVE INCOME
for the Year Ended 30 September 2021**

	2021	2020
	£	£
PROFIT FOR THE FINANCIAL YEAR	280,748	-
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>280,748</u></u>	<u><u>-</u></u>

The accompanying notes form part of the financial statements

BALANCE SHEET
30 September 2021

		2021		2020	
	Notes	£	£	£	£
NON-CURRENT ASSETS					
Deferred Tax	12		21,657		
Tangible Assets	8		43		-
CURRENT ASSETS					
Debtors: amount falling due within one year	9	1,727,433		100	
Cash at bank and in hand		256,412		-	
		1,983,855		100	
CREDITORS					
Amounts falling due within one year	10	(1,624,527)		-	
NET CURRENT ASSETS			359,327		100
TOTAL ASSETS LESS CURRENT LIABILITIES			381,028		
CREDITORS					
Amounts falling due after more than one year			(9,592)		-
NET ASSETS			371,436		100
CAPITAL AND RESERVES					
Called up share capital	13		100		100
Share option reserves			90,588		-
Retained earnings			280,748		-
SHAREHOLDERS' FUNDS			371,436		100

The financial statements were approved by the Board of Directors on 14th September 2022 and were signed on its behalf by:



.....
J Priggen – Director

The accompanying notes form part of the financial statements

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 30 September 2021

	Called up Share capital	Share option reserves	Profit and loss Account	Total equity
	£	£	£	£
Balance at 30 September 2019	-	-	-	-
Equity contribution	100	-	-	100
Balance at 30 September 2020	100	-	-	100
Equity-settled share-based payment transaction	-	85,090		85,090
Profit or loss	-	-	280,748	280,748
Tax impact on equity settled share-based payment	-	5,498	-	5,498
Balance at 30 September 2021	100	90,588	280,748	371,436

The accompanying notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 September 2021

1. STATUTORY INFORMATION

Veovo UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of capital management.

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 September 2021**

2. ACCOUNTING POLICIES – continued

Going Concern

The financial statements have been prepared on a going concern basis. The Directors believes this to be appropriate as the ultimate parent company Gentrack Group Limited has committed to providing required liquidity to meet liabilities as they fall due over the next 12 months from the date of approval of these financial statements.

Turnover

Veovo UK Limited recognises revenue from customer when the performance obligation has been accomplished. A performance obligation is accomplished when the customer has received all of the benefits promised under the performance obligation. The following sections detail the type of revenue recognised within each category.

Revenue is recognised for the major business activities as follows:

ANNUAL FEES Annual fees include software support and maintenance charged on software licenses, software subscriptions and managed services. Revenue from annual fees is generally recognised over the period as the benefits are consumed by the customer.

SUPPORT SERVICES Support services are post implementation value-add professional services related to ongoing upgrades, minor software revisions and extended support. Support services revenue is recognised when the service is complete or on a stage of completion basis.

LICENSES Revenue from licence fees due to software sales is recognised on the transferring of significant risks and rewards of control of the licensed software under agreement between the Company and the customer. License fees that are highly interrelated with project services are recognised based on a stage of completion of the project.

PROJECT SERVICES Revenue from project services is recognised based on the stage of completion of the project. This is typically in accordance with the achievement of contract milestones and/or hours expended and forecast hours to complete the project

DEFERRED REVENUES

Consideration received prior to the goods or service being rendered is recognised in the Balance Sheet as deferred revenues.

ACCRUED INCOME

Revenue for which goods or services have been rendered but invoices have not been issued is recognised within the Balance Sheet as accrued income and included within trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS continued
for the Year Ended 30 September 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- over the term of the lease
Plant and machinery	- straight line over 3-4 years

Business combination under common control

The Company applied the pooling of interests' method for accounting of a business combination under common control:

- The assets and liabilities of the combining parties are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination. The only adjustments made are to align accounting policies.
- No 'new' goodwill is recognised as a result of the combination. The only goodwill that is recognised is any existing goodwill relating to either of the combining parties. Any difference between the consideration transferred and the acquired net assets is reflected within equity as a "merger reserve".

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised costs using the ineffective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised costs using the ineffective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprises cash at banks and on hand.

Share based payments

Share-based payment arrangements in which the Company receives goods or services as consideration for Gentrack Group Limited equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2020

2. ACCOUNTING POLICIES - continued**Share based payments (continued)**

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.1 TRANSFER FROM GENTRACK UK LIMITED

On 1 October 2020 Gentrack UK Limited split its business between the provision of software and services to the airports and utilities sectors (the "Airports" and "Utilities" businesses respectively) and transferred the Airports business at net book value of £1.0m to Veovo UK Limited. The consideration for this transfer was by way of an intercompany loan. Both Gentrack UK Limited and Veovo UK Limited share the same ultimate parent.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

	2021	2020
An analysis of turnover by class of business is given below:		
	£	£
IT Consultancy	2,289,514	-
Licences	310,067	-
	<u>2,599,582</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2020

4. EMPLOYEES

	2021	2020
	£	£
Wages and salaries	967,768	-
Social Security costs	138,444	-
Other pension costs	27,367	-
	<u>1,133,579</u>	<u>-</u>

The average number of employees during the year was as follows:

	2021	2020
	£	£
Service Delivery	9	-
Product, sales and commercial	2	-
Administration	3	-
	<u>14</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Interest on intercompany loans	210	-
	<u>210</u>	<u>-</u>

5.A INTEREST RECEIVABLE AND SIMILAR INCOME

Interest on intercompany receivables	13,284	-
	<u>13,284</u>	<u>-</u>

6. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	803	-
Foreign exchange differences	19,596	-
	<u>20,400</u>	<u>-</u>

Auditor's remuneration of £X was borne by another group entity. There were no non-audit services provided by the auditor in the year.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2020

7. TAXATION**Analysis of tax expense**

	2021	2020
	£	£
Current tax:		
Tax	66,747	-
	<u>66,728</u>	<u>-</u>
Deferred Tax	(16,158)	-
Total tax expense in income statement	<u>50,588</u>	<u>-</u>

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.

The difference is explained below:

	2021	2020
	£	£
Profit before income tax	<u>331,336</u>	<u>-</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19%	62,954	-
Effects of:		
Disallowed expenses	(17,864)	-
Deferred tax recognised in equity	<u>5,498</u>	<u>-</u>
Tax expense	<u>50,588</u>	<u>-</u>

The deferred tax asset has been calculated based on the rates substantively enacted at the reporting date. On the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax liability would have increased.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2020

8. TANGIBLE FIXED ASSETS

NOTE 8

TANGIBLE FIXED ASSETS

	Plant and machinery etc	Totals
	£	£
COST		
At 1 October 2020	0	-
Additions		
Transfers from Gentrack UK Limited	4,172	4,172
At 30 Sept 21	4,172	4,172
DEPRECIATION		
At 1 October 2020	-	-
Charge for year		
Transfers from Gentrack UK Limited	803	803
At 30 Sept 2021	4,129	4,129
NET BOOK VALUE		
At 30 September 2021	43	43

VEOVO UK LIMITED (REGISTERED NUMBER: (11972415))
NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2021

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	626,051	-
Other debtors	325,077	-
Amounts owed by group undertakings	<u>776,315</u>	<u>100</u>
	<u>1,727,433</u>	<u>100</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	1,608	-
Social security and other taxes	49,999	-
VAT	44,130	-
Corporation tax	66,747	-
Amounts owed to group undertakings	877,880	-
Accruals and deferred income	<u>584,163</u>	<u>-</u>
	<u>1,624,527</u>	<u>-</u>

The intercompany loan agreement is for 5 years ending 30 September 2022. The agreement states that the borrower shall repay the unpaid balance to the lender in full on the repayment date and interest is charged on the loans at a rate LIBOR plus 3%.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	<u>9,592</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 September 2021

12. DEFERRED TAX

	2021	2020
	£	£
Balance at 1 October 2020	-	-
Provided during year	(16,158)	-
Deferred tax recognised in equity	(5,498)	-
Balance at 30 September 2021	(21,657)	-

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The deferred tax relates to Share Scheme.

13. CALLED UP SHARE CAPITAL

Called up share capital not paid:			2021	2020
Number:	Class:	Nominal value:	£	£
100	Ordinary share capital	£1	100	100

14. BUSINESS COMBINATION UNDER COMMON CONTROL

On 1 October 2020, the company entered a business transfer agreement to acquire the airports operations of Gentrack UK Limited. The Company applied interest pooling method of accounting as described in Note 1 and recognised the carrying values of the acquired assets as at the date of acquisition. The assets acquired largely comprised of customers novated from Gentrack UK Limited, as such any associated debtor provisions and deferred income were transferred accordingly.

	£
Assets	
Debtors	(80,049)
Other debtors	11,763
Liabilities	
Creditors	(908,257)
Share option reserves	(56,657)
Total identifiable net liabilities as carrying value	(1,033,201)
Purchase intercompany undertaking	1,033,201

The net position post acquisition was accounted as intercompany receivable.

14. ULTIMATE PARENT COMPANY

Veovo UK Limited is part of the consolidated Gentrack Group Limited, a company registered at 17 Hargreaves Street, St Marys Bay, Auckland, 1011, New Zealand.

NOTES TO THE FINANCIAL STATEMENTS - continued
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15. SHARE-BASED PAYMENT TRANSACTIONS

Gentrack Group operates equity settled, share-based payments schemes under which it receives services from Veovo UK Limited's employees, as consideration for equity instruments of Gentrack Group. A valuation has been completed for each scheme at the grant date to estimate the fair value of the performance rights allocated. Management also makes estimates about the number of performance rights that are expected to vest which determines the expense recorded in the statement of comprehensive income.

The fair value of the performance rights is determined at the grant date using the Black Scholes valuation method. The fair value of the performance rights is recorded as an expense in the statement of comprehensive income over the vesting period, based on the estimate of the number of performance rights that will vest, with a corresponding entry to the share-based payment reserve within equity.

Under the Gentrack Group Scheme, with respect to the Company's employee, the performance rights, granted, exercised, and forfeited during 2021 for the EPS schemes are as follows:

GRANT DATE	AVERAGE EXERCISE PRICE PER PERFORMANCE RIGHTS	NUMBER OF PERFORMANCE RIGHTS
	NZ\$	#
As of 1 October 2020	-	-
Transferred from Gentrack UK Limited	1.33	93,371
Granted during the year	1.41	149,901
Exercised during the year	-	-
Forfeited during the year	-	-
As of 30 September 2021	1.38	243,272