

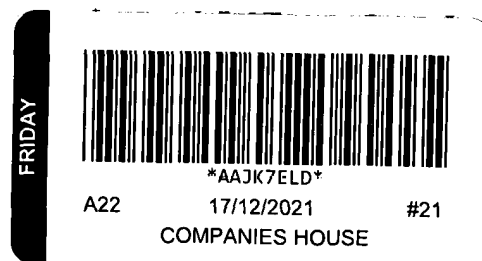
# **In-Car Ventures Limited**

**(Formerly Lenny Insurance Limited)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

Registered number: 10442527

For the year ended 31 March 2021



**Company information**

**Directors**

K Benjamin  
M Brogden

**Company secretary**

H Cairns

**Registered office**

Abbey Road  
Whitley  
Coventry  
England  
CV3 4LF

**Independent auditor**

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

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## Directors' report

The directors present their report and the audited financial statements for the Company for the year ended 31 March 2021.

### Principal activity

The Company has changed its principal activity in the year. On 15 September 2020 the Company completed an assets and liabilities purchase with CloudCar Inc. and during the year to 31 March 2021, the principal activity of the Company was to acquire and hold an IP asset in relation to the Pivi Pro Platform and to license this to other group companies in exchange for royalty fees.

During the year to 31 March 2020, the principal activity of the Company was the sale of short-term car insurance policies via a mobile phone software application ('the Lenny app'). This part of the business was wound down and no longer operates.

### Results and dividends

The income statement shows a loss after tax for the financial period of £6,989,510 (2020: loss of £1,194,274). The loss for the financial period was primarily driven by an impairment charge of £6,314,620 (2020: nil) in relation to the impairment of the IP asset acquired during the year. Further detail is provided in note 7.

No interim dividends were paid, and the directors do not propose a final dividend for the year ended 31 March 2021 (2020: £nil).

### Directors

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

K Benjamin (Appointed 18 January 2021)

M Brogden (Appointed 18 January 2021)

L Klawitter (Resigned 18 January 2021)

C Butcher (Resigned 12 May 2020)

K Wittl (Resigned 12 May 2020)

### Going concern

Notwithstanding net current liabilities of £9,077,206 as at 31 March 2021 and a loss for the year then ended of £6,989,510 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

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

The going concern assessment for the Company is dependent on Jaguar Land Rover Automotive plc not seeking repayment of the amounts currently due, directly or indirectly, to the group and providing additional financial support during that period.

Jaguar Land Rover Automotive plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date where the entity has insufficient liquidity to make such payments, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

### Research and development

The Company undertook research and development activities during the prior year totalling £895,119. The Company did not undertake any research and development activities during the current year.

### Directors' indemnities

The Company's intermediate parent company, Jaguar Land Rover Automotive plc, maintained directors' liability insurance for all directors during the financial year.

## Directors' report (continued)

### Strategic report exemption

The Company has elected not to prepare a strategic report. Under section 414B of the Companies Act 2006, the Company which, despite being part of ineligible group, otherwise qualifies as small and as such seeks to take advantage of the exemption available with regard to including a Strategic report.

### Events after the reporting date

There have been no material events since the reporting date.

### Independent auditor

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

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

### Statement of disclosure of information to auditor

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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken necessary actions in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



K Benjamin  
Director

3 December 2021

Abbey Road  
Whitley  
Coventry  
England  
CV3 4LF

## Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101").

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;
- state whether applicable UK Accounting Standards, including FRS 101, 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.

## **Independent auditor's report to the members of In-car Ventures Limited**

### **Opinion**

We have audited the financial statements of In-Car Ventures Limited ("the Company") for the year ended 31 March 2021 which comprise the Income statement, the Balance sheet, the Statement of changes in equity, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board meeting minutes.
- Considering remuneration incentive schemes and performance targets for management/directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as impairment of intangible assets. On this audit we do not believe there is a fraud risk related to revenue recognition because of the existence of limited incentives and opportunities to make inappropriate accounting entries in relation to revenue. We did not identify any additional fraud risks.

## **Independent auditor's report to the members of In-Car Ventures Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect (continued)**

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: GDPR and employment law, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover this report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report have been prepared in accordance with the Companies Act 2006.

## Independent auditor's report to the members of In-Car Ventures Limited (continued)

### Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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



**John Hughes (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
One Snowhill  
Snow Hill Queensway  
Birmingham  
United Kingdom  
B4 6GH

Date: 8 December 2021

## Income statement

| For the year ended 31 March 2021 (£) | Note | Year ended            | Year ended              | Year ended         | Year ended         |
|--------------------------------------|------|-----------------------|-------------------------|--------------------|--------------------|
|                                      |      | 2021                  | 2021                    | 2021               | 2020               |
|                                      |      | Continuing operations | Discontinued operations | Total              | Total              |
| Revenue                              | 2    | 60,483                | 181                     | 60,664             | 24,343             |
| Cost of sales                        |      | -                     | (1,969)                 | (1,969)            | (165,255)          |
| <b>Gross profit / (loss)</b>         |      | <b>60,483</b>         | <b>(1,788)</b>          | <b>58,695</b>      | <b>(140,912)</b>   |
| Operating expenses                   | 3    | -                     | (155,569)               | (155,569)          | (1,048,221)        |
| Foreign exchange gains               | 4    | 281,817               | (10)                    | 281,807            | -                  |
| Amortisation of intangible assets    | 10   | (854,196)             | -                       | (854,196)          | -                  |
| <b>Operating profit / (loss)</b>     |      | <b>(511,896)</b>      | <b>(157,367)</b>        | <b>(669,263)</b>   | <b>(1,189,133)</b> |
| Impairment of intangible assets      | 7    | (6,314,620)           | -                       | (6,314,620)        | -                  |
| Finance expenses                     | 8    | -                     | (5,627)                 | (5,627)            | (5,141)            |
| <b>Loss before tax</b>               |      | <b>(6,826,516)</b>    | <b>(162,994)</b>        | <b>(6,989,510)</b> | <b>(1,194,274)</b> |
| Income tax expense                   | 9    | -                     | -                       | -                  | -                  |
| <b>Loss for the year</b>             |      | <b>(6,826,516)</b>    | <b>(162,994)</b>        | <b>(6,989,510)</b> | <b>(1,194,274)</b> |

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

All operations for the year-ended 31 March 2020 qualify as discontinued because the Lenny app was discontinued from 31 March 2020, and the Company changed its principal activity in the year ended 31 March 2021 from September 2020 onwards. Discontinued operations have been presented for the year-ended 31 March 2021 in respect of amounts incurred in relation to the Lenny app.

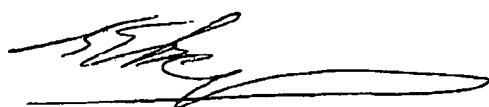
The notes on pages 10 to 19 form an integral part of these financial statements.

## Balance sheet

| As at 31 March (£)                  | Note | 2021               | 2020               |
|-------------------------------------|------|--------------------|--------------------|
| <b>Non-current assets</b>           |      |                    |                    |
| Intangible assets                   | 10   | 744,424            | -                  |
| <b>Total non-current assets</b>     |      | <b>744,424</b>     | <b>-</b>           |
| <b>Current assets</b>               |      |                    |                    |
| Cash and cash equivalents           |      | -                  | 1,792              |
| Receivables                         | 11   | 60,485             | 1,576              |
| <b>Total current assets</b>         |      | <b>60,485</b>      | <b>3,368</b>       |
| <b>Total assets</b>                 |      | <b>804,909</b>     | <b>3,368</b>       |
| <b>Current liabilities</b>          |      |                    |                    |
| Payables                            | 12   | -                  | 41,775             |
| Other financial liabilities         | 13   | 9,137,691          | 1,304,865          |
| <b>Total current liabilities</b>    |      | <b>9,137,691</b>   | <b>1,346,640</b>   |
| <b>Equity</b>                       |      |                    |                    |
| Called up share capital             | 14   | 0                  | 0                  |
| Shareholders' deficit               |      | (8,332,782)        | (1,343,272)        |
| <b>Equity</b>                       |      | <b>(8,332,782)</b> | <b>(1,343,272)</b> |
| <b>Total liabilities and equity</b> |      | <b>804,909</b>     | <b>3,368</b>       |

The notes on pages 10 to 19 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 3 December 2021. They were signed on behalf of the Board by:



K Benjamin  
Director  
Company registered number: 10442527

## Statement of changes in equity

| For the year ended 31 March<br>2021 (£) | Called up share<br>capital | Retained<br>earnings | Total<br>Shareholders'<br>deficit |
|---|----------------------------|----------------------|-----------------------------------|
| Balance at 31 March 2020                | 0                          | (1,343,272)          | (1,343,272)                       |
| Loss for the year                       | -                          | (6,989,510)          | (6,989,510)                       |
| <b>Balance at 31 March 2021</b>         | <b>0</b>                   | <b>(8,332,782)</b>   | <b>(8,332,782)</b>                |

| For the year ended 31 March<br>2020 (£) | Called up share<br>capital | Retained<br>earnings | Total<br>Shareholders'<br>deficit |
|---|----------------------------|----------------------|-----------------------------------|
| Balance at 31 March 2019                | 0                          | (148,998)            | (148,998)                         |
| Loss for the year                       | -                          | (1,194,274)          | (1,194,274)                       |
| <b>Balance at 31 March 2020</b>         | <b>0</b>                   | <b>(1,343,272)</b>   | <b>(1,343,272)</b>                |

The notes on pages 10 to 19 form an integral part of these financial statements.

## Notes to the financial statements

### 1. Accounting policies

#### A. Statement of compliance

In-Car Ventures Limited (the "Company") is a private company limited by shares incorporated, domiciled and registered in England in the UK. The registered number is 10442527 and the registered address is Abbey Road, Whitley, Coventry, England, CV3 4LF. The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 March 2021 the Company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the Financial Reporting Council. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. This transition is not considered to have had a material effect on the financial statements, having no impact on profit before tax, profit after tax or the net assets of the Company in any year.

#### B. Basis of preparation

The Company's ultimate parent undertaking, Tata Motors Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Tata Motors Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai – 400001, India.

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- presentation of a Statement of Cash Flows and related notes;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- certain disclosures in respect of revenue;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- disclosure of key management personnel compensation, and amounts incurred for the provision of key management personnel services by a separate management entity;
- related party disclosures for transactions with the parent or wholly owned members of the group; and
- disclosure of the objectives, policies and processes in place for managing capital.

The financial statements are presented in sterling, the functional currency of the Company, being the currency in which it generated revenue and incurred expenses. Amounts are rounded to the nearest pound.

#### Going concern

The financial statements for the year ended 31 March 2020 were prepared on a wind up basis because at the date of issue of the financial statements, the Directors intended to cease operations of and wind up the Company. Subsequent to this, the Company changed its principal activity and as such the financial statements are prepared on a historical cost basis for the year ended 31 March 2021.

Notwithstanding net current liabilities of £9,077,206 as at 31 March 2021 and a loss for the year then ended of £6,989,510 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

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

The going concern assessment for the Company is dependent on Jaguar Land Rover Automotive plc not seeking repayment of the amounts currently due, directly or indirectly, to the group and providing additional financial support during that period.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### B. Basis of preparation (continued)

Jaguar Land Rover Automotive plc has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date where the entity has insufficient liquidity to make such payments, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

#### C. New accounting pronouncements

##### Standards, revisions and amendments to standards and interpretations not significant to the Company and applied for the year ending 31 March 2021:

The following amendments and interpretations have been adopted by the Company in the year ending 31 March 2021:

- Amendments to the references to the conceptual framework in IFRS standards;
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of material;
- Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures – Interest rate benchmark reform; and
- Amendments to IFRS 3 Business Combinations – Definition of business

The adoption of these amendments and interpretations has not had a significant impact on the financial statements.

#### D. Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, and future periods affected.

The directors have concluded that the impairment of intangible assets is a key area of estimation uncertainty, as outlined below.

##### **Impairment of intangible assets**

On 15 September 2020 the Company completed an assets and liabilities purchase with CloudCar Inc., acquiring an IP asset and assuming loan note liabilities. At the reporting date, an annual impairment review was carried out whereby the recoverable amount of the IP asset was compared to its carrying value, which resulted in an impairment charge.

The recoverable amount of the IP asset was determined using a value-in-use method, whereby forecast cashflows were calculated which were discounted using a discount rate of 15%. The forecast cashflows for years 1 to 3 of the model were based off the underlying 3 year intercompany royalty agreement. For years 4 and 5, cashflows were based off the forecast volumes from the wider Group's latest business plan. The impairment charge of £6,314,620 has been recognised in the income statement to write down the value of the asset to its value-in-use. Further information is disclosed in note 10.

The key assumptions in determining the value-in-use were as follows:

- Useful economic life ("UEL") of the asset - the Company has assessed the UEL to be 5 years considering all relevant factors which included the wider Group's plans for the technology, the term of the underlying intercompany royalty agreement for other Group companies to use the technology and an external benchmarking analysis of similar asset types.
- Vehicle volumes (years 4 and 5) – the Company has used a forecast volume set based on the wider Group's latest business plan.
- Discount rate – 15% derived from the wider Group's discount rate plus an appropriate risk premium.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### D. Use of estimates and judgements (continued)

##### *Impairment of intangible assets (continued)*

The sensitivity analysis below is based on a change in the key assumptions used in the value-in-use calculation method of the IP asset.

| Assumption                      | Change in assumption | 2021 P&L Impact                          |
|---------------------------------|----------------------|--|
| UEL                             | Increase by 1 year   | Decrease amortisation charge by £142,366 |
| UEL                             | Decrease by 1 year   | Increase amortisation charge by £213,549 |
| Vehicle volumes (years 4 and 5) | Increase by 1%       | Decrease impairment charge by £41,000    |
| Vehicle volumes (years 4 and 5) | Decrease by 1%       | Increase impairment charge by £41,000    |
| Discount rate                   | Increase by 1%       | Decrease impairment charge by £23,443    |
| Discount rate                   | Decrease by 1%       | Increase impairment charge by £24,538    |

#### E. Revenue recognition

Revenue earned from continuing operations in the year ended 31 March 2021 relates to royalty fees received from other group companies in exchange for the use of the IP asset acquired by the Company during the year. Royalty fees are recognised over time over the period that the IP asset is used by other group companies.

Revenue earned from discontinued operations relates to fees earned from the Lenny app. With regards to the provision of short-term car insurance, the Company recognises revenue over the course of the insurance policy length, as the customer is simultaneously receiving and consuming the benefit received as the Company performs its obligations.

The policies were underwritten by Covéa plc whom took on the risk and reward of the principal activity of underwriting the risk and is responsible for costs relating to any claims thereof. The Company acted only as an agent in connecting an underwriter of car insurance risk to consumers who required short term car insurance. The Company adds a markup to base premiums, therefore, within the scope of this transaction, the Company considers itself an agent (as opposed to a principal), and so only recognises its mark ups as Revenue, being the amount that the Company is entitled to.

The Company no longer operates the Lenny app.

#### F. Operating expenses

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

#### G. Income taxes

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

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

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

#### H. Employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### I. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

#### J. Finance expense

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

#### K. Financial instruments

##### Recognition and derecognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity (if any) is transferred to the income statement unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or has expired.

##### Initial measurement

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

##### Classification and measurement – financial assets

Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets at amortised cost are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows. Subsequently, these are measured at amortised cost using the effective interest method less impairment losses, if any. These include cash and cash equivalents, amounts owed by group undertakings and other receivables.

##### Classification and measurement – financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost unless they meet the specific criteria to be recognised at fair value through profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method. These include trade and other payables and intercompany loans.

##### Impairment

The Company recognises a loss allowance in profit or loss for expected credit losses on financial assets held at amortised cost. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability-weighted amount, takes into account the time value of money (values are discounted back using the applicable effective interest rate) and uses reasonable and supportable information.

Lifetime expected credit losses are calculated for assets that were deemed credit impaired at initial recognition or have subsequently become credit impaired as well as those where credit risk has increased significantly since initial recognition.

Where credit risk is deemed low at the reporting date or to have not increased significantly, credit losses for the next 12 months are calculated.

Objective evidence for a significant increase in credit risk may include where payment is overdue by 90 or more days as well as other information about significant financial difficulties of the debtor.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

Credit risk has increased significantly when the probability of default has increased significantly. Such increases are relative and assessment may include external ratings (where available) or other information such as past due payments. Historic data and forward-looking information are both considered.

#### L. Intangible assets

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

The IP asset has a finite useful life of 5 years. Amortisation is charged straight line over this period. The useful life of intangible assets is reviewed at each reporting date, and any changes are treated as changes in accounting estimates. Please refer to accounting policy D for further detail.

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

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

Further detail of the impairment review undertaken is provided in accounting policy D and note 10.

## Notes to the financial statements (continued)

### 2. Revenue

| 31 March (£)  | Year ended<br>2021 | Year ended<br>2020 |
|---|--------------------|--------------------|
| Revenue recognised in respect of insurance agent services | 181                | 24,343             |
| Revenue recognised in respect of royalty fees             | 60,483             | -                  |
| <b>Total revenue</b>                                      | <b>60,664</b>      | <b>24,343</b>      |

All revenues were collected from services rendered within the United Kingdom.

### 3. Operating expenses

| 31 March (£)                    | Year ended<br>2021 | Year ended<br>2020 |
|---------------------------------|--------------------|--------------------|
| IT costs                        | 3,365              | 246,397            |
| Agency staff costs              | 3,300              | 201,905            |
| Employee costs                  | 105,079            | 315,491            |
| Other costs                     | 43,825             | 284,428            |
| <b>Total operating expenses</b> | <b>155,569</b>     | <b>1,048,221</b>   |

The auditor's remuneration for the current year is borne by a fellow subsidiary, Jaguar Land Rover Limited and is not recharged. The Company's allocation for fees payable to the Company's auditor is £10,000 (2020: £10,000).

### 4. Foreign exchange gains

| 31 March (£)              | Year ended<br>2021 | Year ended<br>2020 |
|---------------------------|--------------------|--------------------|
| Foreign exchange gains    | 281,817            | -                  |
| <b>Total other income</b> | <b>281,817</b>     | <b>-</b>           |

### 5. Employees

| 31 March (£)                       | Year ended<br>2021 | Year ended<br>2020 |
|------------------------------------|--------------------|--------------------|
| Wages and salaries                 | 93,115             | 275,953            |
| Social security costs and benefits | 11,964             | 39,538             |
| <b>Total employee costs</b>        | <b>105,079</b>     | <b>315,491</b>     |

|                                    | Year ended<br>2021 | Year ended<br>2020 |
|------------------------------------|--------------------|--------------------|
| <b>Average number of employees</b> |                    |                    |
| Employees                          | 1                  | 3                  |

## Notes to the financial statements (continued)

### 6. Directors' remuneration

For the year ended 31 March 2021, one of the directors was remunerated directly by the Company for 1.5 months, the details of which are disclosed in the table below. Following this date, the directors did not provide qualifying services to the Company and were remunerated by other group companies, the cost of which was not recharged to the Company.

For the year ended 31 March 2020 two of the three directors received remuneration for their qualifying services specifically to the Company which was paid by the Company, disclosed in the table below. The remaining director did not provide qualifying services to the Company and their remuneration was paid by the intermediate parent during the prior year, InMotion Ventures Limited.

| 31 March (£)                       | Year ended<br>2021 | Year ended<br>2020 |
|------------------------------------|--------------------|--------------------|
| Directors' emoluments              | 32,889             | 121,233            |
| Post-employment benefits           | 329                | 658                |
| <b>Total directors' emoluments</b> | <b>33,218</b>      | <b>121,891</b>     |

For the year ended 31 March 2020, retirement benefits accruing to one of the directors was included in the financial statements. For the year ended 31 March 2021 the directors were remunerated by other group companies.

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

|                                    | Year ended<br>2021 | Year ended<br>2020 |
|------------------------------------|--------------------|--------------------|
| <b>Defined contribution scheme</b> | <b>-</b>           | <b>1</b>           |

### 7. Impairment of intangible asset

An impairment charge of £6,314,620 (2020: nil) has been recognised in the income statement in relation to the IP intangible asset acquired during the year. Further information is disclosed in note 10.

### 8. Finance expenses

| 31 March (£)                              | Year ended<br>2021 | Year ended<br>2020 |
|---|--------------------|--------------------|
| Interest payable to fellow group entities | 5,627              | 5,141              |
| <b>Total finance costs</b>                | <b>5,627</b>       | <b>5,141</b>       |

## Notes to the financial statements (continued)

### 9. Income taxes

#### Recognised in the income statement

| 31 March (£)                    | Year ended<br>2021 | Year ended<br>2020 |
|---------------------------------|--------------------|--------------------|
| <b>Current tax expense</b>      |                    |                    |
| Current year                    | -                  | -                  |
| <b>Total income tax expense</b> | -                  | -                  |

#### Reconciliation of effective tax rate

| 31 March (£)                         | Year ended<br>2021 | Year ended<br>2020 |
|--------------------------------------|--------------------|--------------------|
| Loss for the year                    | (6,989,510)        | (1,194,274)        |
| Income tax expense                   | -                  | -                  |
| <b>Loss before tax</b>               | <b>(6,989,510)</b> | <b>(1,194,274)</b> |
| Income tax credit at 19% (2020: 19%) | (1,328,007)        | (226,912)          |
| <b>Effects of:</b>                   |                    |                    |
| Unprovided tax losses                | 1,297,038          | 226,912            |
| Post cessation losses not provided   | 30,969             | -                  |
| <b>Total income tax expense</b>      | <b>-</b>           | <b>-</b>           |

The Company has an unprovided deferred tax asset relating to tax losses of £6,826,516 as at 31 March 2021 (2020: £255,192) due to insufficient taxable profits in the future.

The UK Finance Act 2016 was enacted during the year ended 31 March 2017, which included provisions for a reduction in the UK corporation tax rate to 17 per cent with effect from 1 April 2020. Subsequently a change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted for IFRS purposes on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19 per cent, rather than the previously enacted reduction to 17 per cent. A further change to the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023 was announced in the Budget on 3 March 2021 and was substantively enacted on 24 May 2021. As no net deferred tax has been recognised at 31 March 2021 there would have been £nil impact had the rate change been substantively enacted at the balance sheet date.

## Notes to the financial statements (continued)

### 10. Intangible assets

| £  | Intellectual property |
|--|-----------------------|
| <b>Cost</b>                                    | -                     |
| Balance at 1 April 2020                        | -                     |
| Additions                                      | 7,913,240             |
| <b>Balance at 31 March 2021</b>                | <b>7,913,240</b>      |
| <b>Accumulated amortisation and impairment</b> |                       |
| Balance at 1 April 2020                        | -                     |
| Amortisation charge for the year               | 854,196               |
| Impairment charge for the year                 | 6,314,620             |
| <b>Balance at 31 March 2021</b>                | <b>7,168,816</b>      |
| <b>Net book value at 31 March 2021</b>         | <b>744,424</b>        |

The IP asset was initially recognised at acquisition cost, being the fair value of the consideration transferred. At the period end, an impairment trigger was identified being lower forecast wholesale volumes by the wider Jaguar Land Rover group to which the IP is licensed than the volumes that were anticipated at the acquisition date. An impairment review was subsequently carried out whereby the recoverable amount of the IP asset was compared to the carrying value. This resulted in an impairment charge of £6,314,620 recognised in the income statement for the year ended 31 March 2021.

The recoverable amount of the IP asset was determined using a value-in-use method, whereby cashflows associated with the asset for a 5 year period were discounted using a discount rate of 15%. The impairment charge has been recognised to write down the value of the asset to its value-in-use. A sensitivity analysis of the various key assumptions identified has been disclosed in accounting policy D.

### 11. Receivables

| As at 31 March (£)                 | 2021          | 2020         |
|------------------------------------|---------------|--------------|
| Amounts owed by group undertakings | 60,485        | -            |
| Other receivables                  | -             | 1,576        |
| <b>Total receivables</b>           | <b>60,485</b> | <b>1,576</b> |

Fair value and book value of other receivables approximate one another.

The expected credit losses in relation to amounts owed by group undertakings are not considered to be material.

### 12. Payables

| As at 31 March (£)                | 2021     | 2020          |
|-----------------------------------|----------|---------------|
| Amounts due to group undertakings | -        | 15,402        |
| Employee costs and taxes          | -        | 26,373        |
| <b>Total payables</b>             | <b>-</b> | <b>41,775</b> |

Amounts due to group undertakings are repayable on demand, unsecured and do not incur interest.

## Notes to the financial statements (continued)

### 13. Other financial liabilities

| As at 31 March (£)                               | 2021             | 2020             |
|--|------------------|------------------|
| <b>Current</b>                                   |                  |                  |
| Amounts due to group undertakings                | 9,137,691        | 1,304,865        |
| <b>Total current other financial liabilities</b> | <b>9,137,691</b> | <b>1,304,865</b> |

Fair value and book value of other financial liabilities approximate one another. Amounts owed to group undertakings are repayable on demand, are secured with a first charge on the assets of the Company, and do not incur interest.

### 14. Share capital

There were no changes to the capital structure of the Company during the year ended 31 March 2021.

There is one fully paid share in issue with a nominal value of £0.01.

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

### 15. Related party transactions

The Company has taken the available exemption available under paragraph 8(k) of FRS 101 in relation to the disclosure of the related party transactions with other wholly owned members of the Group and key management personnel compensation.

In the prior year, £20,000 was paid to Ambant Underwriting Services Limited for Chris Butcher's services relating to his instalment as a Non-Executive Director to the Company.

### 16. Controlling party

The Company's immediate parent undertaking changed in the year from InMotion Ventures Limited to Jaguar Land Rover Holdings Limited. The ultimate parent undertaking and controlling party is Tata Motors Limited, India which is the parent of the largest group to consolidate these financial statements. The smallest group which consolidates these financial statements is Jaguar Land Rover Automotive plc.

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