

InMotion Ventures 2 Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

Registered number: 10444740

For the year ended 31 March 2019

Directors and Advisors

Directors

L. Klawitter
S. A. Peck

Company secretary

H. Cairns

Registered office

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Independent auditor

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

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Directors' report

The directors present their directors' report and the audited financial statements for the InMotion Ventures 2 Limited ("the Company") for the year ended 31 March 2019.

Background and general information

The Company was incorporated on 25 October 2016 and is domiciled in England as a private limited company. The address of its registered office is Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.

Results

The income statement shows a loss after tax for the financial period of £1,740,023 (2018: loss of £27,741).

Dividends

The directors do not propose a dividend for the period ended 31 March 2019 (2018: £nil).

Principal activity

The Company's principal activity during the period was to develop and sell proprietary mobility services.

Directors

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

L. Klawitter
S. A. Peck

Strategic report exemption

The Company has elected not to prepare a Strategic Report as it qualifies as a small company under section 414B of the Companies Act 2006 and it is not part of an ineligible group.

Directors' indemnities

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

Going concern

The directors have considered the financial position of the Company at 31 March 2019 (net liabilities of £1,767,764) and the projected cash flows and financial performance of the Company for at least 12 months from the date of approval of these financial statements. The Company is part of the Jaguar Land Rover group and as part of the group it has access to significant cash and financial resources. The directors of Jaguar Land Rover Limited have provided a letter stating that financing will be provided to the Company for at least 12 months from the date of approval of these financial statements. The directors consider, after making appropriate enquiries and taking into consideration the risks and uncertainties facing the Company, that the Company has adequate resources to continue in operation as a going concern for the foreseeable future and for at least 12 months following the date of approval of the financial statements. As with any company relying on group financial support there is no certainty that such support will be available if required.

Research and development

The Company undertook no research and development activities during the year (2018: £nil).

Political donations

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

Events after the reporting date

There have been no material events since the reporting date.

Directors' report (continued)

Independent auditor

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

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

Statement of disclosure of information to auditor

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

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

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



H. Cairns
Company Secretary

18 June 2019

Registered Address

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Statement of directors' responsibilities in respect of the Annual 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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of InMotion Ventures 2 Limited

Opinion

We have audited the financial statements of InMotion Ventures 2 Limited for the year ended 31 March 2019 which comprise the Income Statement, the Balance sheet, the Statement of changes in equity, the Cash flow statement 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 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of certain assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

Independent auditor's report to the members of InMotion Ventures 2 Limited (continued)

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 this report for the financial year is consistent with the financial statements; and
- in our opinion this report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

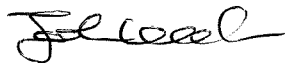
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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.

Independent auditor's report to the members of InMotion Ventures 2 Limited (continued)

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

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



John Leech (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snowhill

Snow Hill Queensway

Birmingham

United Kingdom

18 June 2019

Income statement

31 March (£)	Note	Year ended 2019	17 months ended 2018
Revenue	2	125,071	-
Cost of sales		(420,086)	-
Gross profit		(295,015)	-
Employee costs	4	(297,065)	-
Operating expenses	3	(1,141,436)	(34,248)
Loss before tax		(1,733,516)	(34,248)
Income tax (expense)/credit	6	(6,507)	6,507
Loss for the period		(1,740,023)	(27,741)

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

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

The notes on pages 11 to 20 form an integral part of these financial statements.

Balance sheet

As at 31 March (£)	Note	2019	2018
Current assets			
Cash and cash equivalents		23,625	-
Receivables	7	38,093	6,507
Prepayments		24,743	39,335
Total current assets		86,461	45,842
Current liabilities			
Contract liabilities	2	14,794	-
Payables	9	189,077	-
Other financial liabilities	8	1,650,354	73,583
Total current liabilities		1,854,225	73,583
Equity			
Ordinary share capital	10	-	-
Retained earnings		(1,767,764)	(27,741)
Equity		(1,767,764)	(27,741)
Total liabilities and equity		86,461	45,842

The notes on pages 11 to 20 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 18 June 2019. They were signed behalf of the Board by:

S. Peck
Director



Company registered number: 10444740

Statement of changes in equity

For the year ended 31 March 2019 (£)	Note	Ordinary Share Capital	Retained earnings	Total Equity
Balance at 31 March 2018		-	(27,741)	(27,741)
Loss for the year		-	(1,740,023)	(1,740,023)
Balance at 31 March 2019		-	(1,767,764)	(1,767,764)

For the 17 month period ended 31 March 2018 (£)	Note	Ordinary Share Capital	Retained earnings	Total Equity
Balance at Incorporation		-	-	-
Issue of ordinary share capital	10	-	-	-
Loss for the period		-	(27,741)	(27,741)
Balance at 31 March 2018		-	(27,741)	(27,741)

The notes on pages 11 to 20 form an integral part of these financial statements.

Cash flow statement

31 March (£)	Notes	For the year ended 2019	For the 17 month period ended 2018
Cash flows generated used in operating activities			
Loss for the year/period		(1,740,203)	(27,741)
Adjustments for:			
Income tax expense/(credit)	6	6,507	(6,507)
Cash flows used in operating activities before changes in assets and liabilities		(1,733,516)	(34,248)
Increase in receivables and prepayments		(23,501)	(39,335)
Increase in payables and contract liabilities		203,871	-
Net cash used in operating activities		(1,553,146)	(73,583)
Cash flow from financing activities			
Issue of share capital	10	-	-
Proceeds from loans from related parties	8	1,576,771	73,583
Net cash generated from financing activities		1,576,771	73,583
Net change in cash and cash equivalents		23,625	-
Cash and cash equivalents at beginning of period		-	-
Cash and cash equivalents at end of period		23,625	-

The notes on pages 11 to 20 form an integral part of these financial statements.

Notes to the financial statements

1. Accounting policies

A. Statement of compliance

InMotion Ventures 2 Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 10444740 and the registered address is Abbey Road, Whitley, Coventry, CV3 4LF. These financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") as adopted by the European Union and the requirements of the United Kingdom Companies Act 2006 applicable to companies reporting under IFRS.

New standards and amendments

IFRS 9 Financial Instruments addresses the classification, measurement and recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and contractual cash flow characteristics of the financial asset. The Company has undertaken an assessment of classification and measurement and the Company did not find a significant impact on the financial statements.

The new standard also introduces expanded disclosure requirements. The Company did not find there were significant changes to the nature or extent of disclosures in respect of financial instruments.

IFRS 15 Revenue from Contracts with Customers became effective with a date of initial application of 1 April 2018. The new standard replaces the requirements under IAS 18 Revenue and IAS 11 Construction Contracts, as well as the related interpretations. The primary purpose of the new standard is to specify a set of consistently applicable underlying revenue recognition principles across all sectors, industries, and types of arrangements. The standard applies only to contracts with customers – a 'customer' is a party that has contracted with the Company to obtain goods or services, which are an output of the Company's ordinary activities, in exchange for consideration.

As the current fiscal year is the first year of trade for the Company, the new revenue recognition accounting standard is being adopted at the outset, and so there is no impact of transition from the previous accounting standards to disclose here. The Company generates revenue based on the service provided for short-term vehicle rentals to its customers. For specific details on the Company's accounting policies for revenue recognition, please see Note 1.

The following pronouncements, issued by the IASB and endorsed by the EU, are not yet effective and have not yet been adopted by the Company. The Company is evaluating the impact of these pronouncements on the financial statements.

		Effective for periods beginning on or after
IFRS 16	Leases	1 January 2019

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

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

Notes to the financial statements (continued)

1. Accounting policies (continued)

New standards and amendments (continued)

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

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

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

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

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

B. Basis of preparation

Notwithstanding net current liabilities of £1,767,764 as at 31 March 2019, a loss for the year then ended of £1,740,023 and operating cash outflows for the year of £1,553,146, 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 prepared cash flow forecasts for a period of at least 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 Jaguar Land Rover Ltd, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Jaguar Land Rover Ltd not seeking repayment of the amounts currently due to the group, which at 31 March 2019 amounted to £1,650,354, and providing additional financial support during that period. Jaguar Land Rover Ltd 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, 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.

The financial statements are presented in sterling, the functional currency of the Company, being the currency in which it generates revenue and incurs expenses.

Notes to the financial statements (continued)

1. Accounting policies (continued)

C. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The directors believe that no significant estimates or judgements were involved in the preparation of these financial statements.

D. Revenue recognition

Revenue comprises the consideration earned by the Company in respect of the output of its ordinary activities. It is measured based on the consideration specified in the contract with the customer and excludes amounts collected on behalf of third parties, and net of settlement discounts, bonuses, rebates, and sales incentives. The Company considers its primary customers from the provision of short-term vehicle rental services to be end users utilising the related mobile phone application. The Company recognises revenue when it transfers control of a good or service to a customer, thus evidencing the satisfaction of the associated performance obligation under that contract.

With regards to the provision of the short-term vehicle rental service, the Company recognises revenue over the course of the rental period, as the customer is simultaneously receiving and consuming the benefit received as the Company performs its obligations. Payment is fully made by the customer and received by the Company prior to the rental period commencing, at which point it is recognised as a contract liability and recognised on a straight-line basis over the term of the service being provided.

E. Operating expenses

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

F. 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.

The financial statements are prepared on the historical cost basis except for the assets and liabilities as identified in Note 11. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

Notes to the financial statements (continued)

1. Accounting policies (continued)

G. Operating leases

Assets leased under operating leases are not recognised on the Company's Statement of financial position. Payments made under operating leases are recognised in the Income statement on a straight-line basis over the term of the lease in Operating expenses.

H. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash held by payment system providers and pre-paid debit card balances.

I. Receivables

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

J. Payables

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

K. Other financial liabilities

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

Notes to the financial statements (continued)

2. Revenue

31 March (£)	Year ended 2019	17 month period ended 2018
Revenue recognised for services transferred	125,071	-
Total revenue	125,071	-

As the current fiscal period is the Company's first year of trade, there is no revenue recognised in the current period which includes revenue relating to contract liabilities relevant to the prior period, or revenue from performance obligations fully (or partially) satisfied in previous periods.

The Company applies the practical expedient in IFRS 15.121 and does not disclose information about remaining performance obligations that have an original expected duration of one year or less. This is because revenue resulting from those sales will be recognised in a short-term period.

Included within Contract liabilities is £14,794, which relates to consideration received by the Company in advance of services being transferred to the customer, being short-term vehicle rentals to its customers. As the services are provided to the customer, the associated amounts will be recognised as Revenue.

The movement in the Contract liabilities balance relates solely to increases due to cash received for performance obligations unsatisfied at the reporting date of £14,794 (2018 £nil). There were no business combinations that affected the movement of Contract liabilities.

3. Operating expenses

31 March (£)	Year ended 2019	17 month period ended 2018
Agency staff costs	294,982	-
IT costs	420,514	31,013
Other costs	425,940	3,235
Total other expenses	1,141,436	34,248

The auditor's remuneration for the current year is borne by the immediate parent company, Jaguar Land Rover Limited and is not recharged. The Company's allocation for fees payable to the Company's auditor is £15,000 (2018: £8,000). The Company incurred no non-audit fees in either the current financial year or the prior financial period.

4. Employee numbers and costs

31 March (£)	Year ended 2019	17 month period ended 2018
Wages and salaries	267,214	-
Social security costs and benefits	29,851	-
Total employee costs	297,065	-

Average number of employees	Year ended 2019	17 month period ended 2018
Employees	4	-

Notes to the financial statements (continued)

5. Directors' emoluments

The Directors did not provide qualifying services to the Company. Emoluments are paid by Jaguar Land Rover Limited and are not recharged. Retirement benefits accruing to the directors are included in the financial statements of Jaguar Land Rover Limited for the year ended 31 March 2019.

6. Income taxes

Recognised in the income statement

31 March (£)	Year ended 2019	17 month period ended 2018
Group tax (expense)/credit		
Current year	-	6,507
Prior period	(6,507)	-
Total income tax (expense)/credit	(6,507)	6,507

Reconciliation of effective tax rate

31 March (£)	Year ended 2019	17 month period ended 2018
Loss for the period	1,740,023	27,741
Income tax credit	(6,507)	6,507
Loss before tax	1,733,516	34,248
Income tax credit at 19% (2018: 19%)	329,368	6,507
Effects of:		
Unprovided tax losses	(329,368)	-
Prior period adjustments	(6,507)	-
Total income tax credit	(6,507)	6,507

The Company has an unprovided deferred tax asset relating to tax losses of £335,875 at 31 March 2019 (2018: £nil).

The UK Finance Act 2015 was enacted on 18 November 2015 and included provisions for a reduction in the UK corporation tax rate from 20 per cent to 19 per cent with effect from 1 April 2017 and to 18 per cent with effect from 1 April 2020. The UK Finance Act 2016 was enacted during the prior period and included provisions for a further reduction in the UK corporation tax rate to 17 per cent with effect from 1 April 2020.

Notes to the financial statements (continued)

7. Receivables

As at 31 March (£)	2019	2018
Amounts owed by group undertakings	-	6,507
Other receivables	38,093	-
Total receivables	38,093	6,507

8. Other financial liabilities

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

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

As at 31 March (£)	Year ended 2019	17 month period ended 2018
Opening balance	73,583	-
Proceeds from loans from group undertakings	1,576,771	73,583
Balance at 31 March	1,650,354	73,583

9. Payables

As at 31 March (£)	2019	2018
Trade payables	143,983	-
Employee costs and taxes	45,094	-
Total payables	189,077	-

10. Share capital

There were no changes to the capital structure of the Company during the year ended 31 March 2019. In the 17 month period ended 31 March 2018, the Company issued 1 share at its 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.

Notes to the financial statements (continued)

11. Financial instruments and associated risks

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

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

Financial assets and liabilities

The following table shows the fair value of each category of financial assets and liabilities as at 31 March 2019:

(£)	Loans and receivables	Fair value through profit and loss	Total fair value
Financial assets			
Receivables	38,093	-	38,093
Prepayments	24,743	-	24,743
Cash and cash equivalents	23,625	-	23,625
Total financial assets	86,461	-	86,461
Financial liabilities			
Contract liabilities	14,794		14,794
Payables	189,077		189,077
Other financial liabilities	1,650,354	-	1,650,354
Total financial liabilities	1,854,225	-	1,854,225

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

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

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

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

Credit risk

Credit risk is the potential that a customer will be unable to meet commitments that it has entered into with the Company.

For those assets that are not past due it is believed that the risk of default is small and that payments will be made in accordance with the terms and conditions agreed with the customer. The risk of non-payment is reduced as payments are collected in advance.

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

Notes to the financial statements (continued)

11. Financial instruments and associated risks (continued)

Liquidity risk

The Company's liquidity risk is the risk that the Company will encounter difficulties raising liquid funds to meet commitments as they fall due. The Directors are responsible for determining the level of liquid funds to be held by the Company. A prudent liquidity risk management approach is adopted to ensure sufficient cash is available for operational expenses through an intercompany loan from a fellow subsidiary and from income received. At the end of the reporting period the Company had access to additional undrawn loan amounts totalling £2,649,645.

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

(£)	Liabilities less than 1 year	Liabilities between 1-5 years	Liabilities more than 5 years	Total
As at 31 March 2019				
Contract liabilities	14,794			14,794
Payables	189,077	-	-	189,077
Other financial liabilities	1,650,354	-	-	1,650,354
Total financial liabilities	1,854,225	-	-	1,854,225
As at 31 March 2018				
Other financial liabilities	73,583	-	-	73,583
Total financial liabilities	73,583	-	-	73,583

Capital management

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

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

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

Notes to the financial statements (continued)

12. Related party transactions

The Company's related parties include Tata Sons Ltd., subsidiaries, associates and joint ventures of Tata Sons Ltd which includes Tata Motors Limited, (the ultimate parent company), subsidiaries, associates and joint ventures of Tata Motors Limited. The Company routinely enters into transactions with these related parties in the ordinary course of business. The Company has no subsidiaries, associates or joint ventures.

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

- The intercompany loan balance of principal and interest totalling £1,650,354 (2018: £73,583) is due to Jaguar Land Rover Limited.
- Amounts owed by group undertakings totalling £nil (2018: £6,507) is due from Jaguar Racing Limited.

Compensation of key management personnel

Compensation of key management personnel is borne by an intermediate parent company, Jaguar Land Rover Limited, and is not recharged to the Company.

13. Immediate and ultimate parent company and parent company of larger group

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

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

