

InMotion Ventures 3 Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

Registered number: 10445040

For the year ended 31 March 2023

Directors and Advisors

Directors

I. M. Murakami
R. Ismail

Company secretary

H. Cairns

Registered office

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Independent auditor

Mazars LLP
2 Chamberlain Square
Birmingham
B3 3AX
United Kingdom

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Directors' report

The directors present the Annual Report and financial statements for InMotion Ventures 3 Limited ("the Company") for the year ended 31 March 2023. The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption

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 year of £2,434,239 (2021: £2,162,851).

Principal activity

The Company's principal activity during the year was to provide vehicle subscription services.

Dividends

The directors do not propose a dividend for the year ended 31 March 2023 (2022: £nil).

Directors

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

I. M. Dando (resigned 17 June 2022)

I. M. Murakami

R. Ismail (appointed 17 June 2022)

Strategic report exemption

The Company has elected not to prepare a strategic report. The Company qualifies as small and as such seeks to take advantage of the exemption available under section 414A of the Companies Act 2006 with regard to including a Strategic report.

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.

Research and development

The Company undertook no research and development activities during the year (2022: £nil).

Political donations

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

Events after the reporting date

There have been no material events since the reporting date.

Going concern

Notwithstanding net current liabilities of £43,571,152 as at 31 March 2023 and a loss for the year then ended of £2,434,239, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

Directors' report (continued)

Going concern (continued)

The directors have performed a going concern assessment for the Company for a period of 12 months from the date of approval of these financial statements which indicates 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 during the going concern assessment period. 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.

Independent auditor

Mazars LLP was appointed in office as auditor of the Company in accordance with section 487(2) of the Companies Act 2006 on 26 April 2023.

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
25 July 2023

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 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statement; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of InMotion Ventures 3 Limited

Opinion

We have audited the financial statements of InMotion Ventures 3 Limited (the 'company') for the year ended 31 March 2023 which comprise the Income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Independent auditor's report to the members of InMotion Ventures 3 Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

Independent auditor's report to the members of InMotion Ventures 3 Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Elisa Howe
Elisa Howe (Aug 1, 2023 22:50 GMT+1)

Elisa Howe (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor
2 Chamberlain Square
Birmingham
B3 3AX
Date: Aug 1, 2023

Income statement

For the year ended 31 March (£)	Note	2023	2022
Revenue	2	14,967,756	11,492,862
Cost of sales		(14,584,307)	(11,084,261)
Gross profit		383,449	408,601
Operating expenses		(3,322,377)	(2,389,844)
Depreciation		(189,640)	(472,118)
Gain on disposal of tangible fixed assets		703,768	400,000
Impairment of intangible assets		-	(106,216)
Finance expenses		(9,439)	(3,274)
Loss before tax	3	(2,434,239)	(2,162,851)
Income tax expense	6	-	-
Loss for the period		(2,434,239)	(2,162,851)

There were no other gains or losses other than the results for the current and prior 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 10 to 19 form an integral part of these financial statements.

Balance sheet

As at 31 March (£)	Note	2023	2022
Non-current assets			
Property, plant and equipment	7	-	1,334,493
Vehicle buybacks	8	36,898,190	96,589
Total non-current assets		36,898,190	1,431,082
Current assets			
Cash and cash equivalents		311,273	146,115
Receivables	9	3,835,964	1,486,511
Prepayments		210,158	1,120,771
Vehicle buybacks	8	48,993,685	64,286,502
Total current assets		53,351,080	67,039,899
Total assets		90,249,270	68,470,981
Current liabilities			
Deferred income	2	706,756	34,612
Payables		476,046	105,604
Accruals		2,545,539	2,110,524
Lease liability	11	-	-
Other financial liabilities	10	93,193,891	70,458,964
Total current liabilities		96,922,232	72,709,704
Total assets less current liabilities		(6,672,962)	(4,238,723)
Net liabilities		6,672,962	4,238,723
Equity			
Called up share capital	12	-	-
Retained earnings	12	(6,672,962)	(4,238,723)
Total shareholders' deficit		(6,672,962)	(4,238,723)

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 25 July 2023. They were signed on behalf of the Board by:



R. Ismail
Director

Company registered number: 10445040

Statement of changes in equity

(£)	Called up Share Capital	Retained earnings	Total shareholders' deficit
Balance at 31 March 2022	-	(4,238,723)	(4,238,723)
Loss for the year	-	(2,434,239)	(2,434,239)
Balance at 31 March 2023	-	(6,672,962)	(6,672,962)

(£)	Called up Share Capital	Retained earnings	Total shareholders' deficit
Balance at 31 March 2021	-	(2,075,872)	(2,075,872)
Loss for the year	-	(2,162,851)	(2,162,851)
Balance at 31 March 2022	-	(4,238,723)	(4,238,723)

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

Notes to the financial statements

1. Accounting policies

A. Background and operations

InMotion Ventures 3 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. The Company is an indirect subsidiary of Tata Motors Limited, India ('Tata Motors Limited').

The Company's principal activity during the year was to provide vehicle subscription services.

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

B. Statement of compliance

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 ("UK-adopted IFRS"), 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.

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

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements regarding:
 - Paragraph 79(a)(iv) of IAS 1;
 - Paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - Paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B–D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134–136 (capital management disclosures).
- IAS 7, Statement of cash flows.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new issued IFRS that is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

C. Going concern

Notwithstanding net current liabilities of £43,571,152 as at 31 March 2023 and a loss for the year then ended of £2,434,239 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

Notes to the financial statements (continued)

1. Accounting policies (continued)

C. Going concern (continued)

The directors have performed a going concern assessment for the Company for a period of 12 months from the date of approval of these financial statements which indicates 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 during the going concern assessment period. 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.

D. Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101 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.

Refurbishment accrual: The Company accrues for refurbishment costs expected to be incurred on vehicles purchased from group entities on buyback arrangements. The estimate includes assumptions on the amounts of potential repair costs per vehicle taking into account the vehicle holding period. The Company's calculation methodology uses historical data corrected for experience as information becomes available. This can lead to changes in the carrying value of the accrual as assumptions are updated. A reasonable change in assumptions could lead to a materially different outcome however the directors have used latest information available in forming the estimate.

E. 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 discounts. The Company considers its primary customers from the provision of vehicle subscription services to be end customers that have signed up with InMotion Ventures 3 Ltd. 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.

Notes to the financial statements (continued)

1. Accounting policies (continued)

E. Revenue recognition (continued)

With regards to the provision of the subscription product, the Company recognises revenue over the course of the subscription period, as the customer is simultaneously receiving and consuming the benefit received as the Company performs its obligations. Payment is made by the customer and received by the Company prior to the subscription period commencing and subsequently on a monthly basis. Revenue is recognised in line with the underlying contract and invoiced at the start of each calendar month.

F. Operating expenses

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

G. 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.

H. Finance expense

Finance expense includes interest charged on intercompany loan balances and is accrued using the effective interest rate method and recognised in profit or loss.

I. 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 of the income statement (whether in other comprehensive income or directly in equity, whereby tax is also recognised outside of the income statement).

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.

J. Cash and cash equivalents

Cash and cash equivalents comprise of balances held by payment system providers.

K. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment, if any. Cost includes purchase price, non-recoverable taxes and duties and other direct costs incurred up to the date the asset is ready for its intended use. Depreciation is charged on a straight-line basis over the expected holding being of each asset down to a residual value (i.e. estimated second-hand sale value).

The depreciation for property, plant and equipment with finite useful lives is reviewed at least at each year end. Changes in expected useful lives are treated as changes in accounting estimates.

Notes to the financial statements (continued)

1. Accounting policies (continued)

L. Intangible assets

Intangible assets purchased, 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.

For intangible assets with definite lives, amortisation is provided on a straight-line basis over the estimated useful lives of the acquired intangible assets. Estimated amortisation period of software is 2 to 8 years. The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

M. Impairment

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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or earlier, if there is an indication that the asset may be impaired.

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.

N. 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 and any changes in expected loss is recognised directly in the income statement. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Receivables are not discounted as the impact of the time on their realised value is not significant.

O. Payables

Liabilities, other than those specifically accounted for under a separate policy, are classified as measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss.

P. 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.

Q. Vehicle buybacks

Vehicles purchased from group entities on buyback arrangements are stated at cost of acquisition less the monthly holding cost to arrive at the repurchased price at the end of the vehicle holding period. The holding costs are charged on a straight-line basis over the contractually agreed period.

Notes to the financial statements (continued)

1. Accounting policies (continued)

R. Leases

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - The Company has the right to operate the asset; or
 - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company associates the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Company is a lessor, rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Notes to the financial statements (continued)

2. Revenue

Year ended 31 March (£)	2023	2022
Revenue recognised for services rendered	14,967,756	11,492,862
Total revenue	14,967,756	11,492,862

Revenues recognised by the Company are for vehicle subscription services in the United Kingdom net of any refunds or discounts. 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.

The movement in the deferred income balance relates solely to adjustments in revenue for performance obligations unsatisfied at the reporting date of £706,756 (2022: £34,612).

3. Loss before tax

(Expense)/Income in loss before tax includes the following:

Year ended 31 March (£)	2023	2022
Depreciation	(189,640)	(472,118)
Gain on disposal of tangible fixed assets	703,768	400,000
Impairment of intangible assets	-	(106,216)

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 £19,350 (2022: £15,000). The Company incurred no non-audit fees in either the current financial year or the prior financial period.

4. Employee numbers and costs

Year ended 31 March (£)	2023	2022
Wages and salaries	1,390,748	973,158
Social security costs and benefits	167,820	100,906
Total employee costs	1,558,568	1,074,064

The company employed an average number of 32 (2022: 23) employees for the year ended 31 March 2023.

5. Directors' emoluments

The Directors who served during the period were also Directors of InMotion Ventures Limited and details of their remuneration are included in the financial statements of that company. The services provided to this Company are considered to represent an insignificant proportion of their time and as such the Directors have received no remuneration in respect of their services to the Company in either period.

Retirement benefits accruing to the directors are also included in the financial statements of InMotion Ventures Limited for both periods.

Notes to the financial statements (continued)

6. Income taxes

Recognised in the income statement

Year ended 31 March (£)	2023	2022
Tax credit		
Current year	-	-
Prior period	-	-
Total income tax credit	-	-

Reconciliation of effective tax rate

Year ended 31 March (£)	2023	2022
Loss for the period	(2,434,239)	(2,162,851)
Income tax credit	-	-
Loss before tax	(2,434,239)	(2,162,851)
Income tax credit at 19% (2022: 19%)	(462,505)	(410,942)
Effects of:		
Expenses not deductible	10,137	5,526
Unprovided tax losses	452,368	405,416
Total income tax credit	-	-

The Company has an unprovided deferred tax asset relating to tax losses of £1,621,103 at 31 March 2023 (2022: £933,147) as it is not considered probable that there will be future taxable profits available.

Since 1 April 2020, the UK corporation tax rate applicable has been at 19 per cent. A change to the main UK corporation tax rate from 19 to 25 percent with effect from 1 April 2023 was announced in the Budget on 3 March 2021, and was substantively enacted on 24 May 2021.

Notes to the financial statements (continued)

7. Property, plant and equipment

(£)	Vehicles
Cost	
Balance at 31 March 2022	2,045,336
Additions	-
Disposals	(2,045,336)
Balance at 31 March 2023	-
Accumulated depreciation	
Balance at 31 March 2022	(710,843)
Depreciation for the year	(189,640)
Disposals	900,483
Balance at 31 March 2023	-
Net book value	
At 31 March 2023	-

8. Other assets

As at 31 March (£)	2023	2022
Non-current vehicle buybacks	36,898,190	96,589
Current vehicle buybacks	48,993,685	64,286,502
Total vehicle buybacks	85,891,875	64,383,091

9. Receivables

As at 31 March (£)	2023	2022
Trade receivables	1,100,486	218,771
VAT receivable	2,735,478	1,267,740
Total receivables	3,835,964	1,486,511

10. Other financial liabilities

As at 31 March (£)	2023	2022
Amounts owed to Group undertakings	93,193,891	70,458,964
Total other financial liabilities	93,193,891	70,458,964

Amounts owed to group undertakings are repayable on demand and unsecured. Of amounts disclosed above, £361,027 (2022: £351,588) is subject to an interest rate based on the Bank of England 1-month base rate + 0.85%. The remainder of amounts owing are non-interest bearing.

Notes to the financial statements (continued)

11. Leases

Leases as a Lessee

The Company leased vehicles. Information about leases for which the Company was a lessee is presented below.

Right-of-use assets

(£)	Vehicles
Balance at 31 March 2022	-
Balance at 31 March 2023	-
Depreciation charge for the year ended 31 March 2022	4,478
Depreciation charge for the year ended 31 March 2023	-

There have been no additions to the right-of-use assets during the year ended 31 March 2023 (2022: £nil).

Lease liabilities

The maturity analysis of the contractual undiscounted cash flows are as follows:

As at 31 March (£)	2023	2022
Less than one year	-	-
One to five years	-	-
More than five years	-	-
Total undiscounted lease liabilities	-	-

The following amounts are included in the Balance Sheet as at 31 March 2023:

As at 31 March (£)	2023	2022
Current lease liabilities	-	-
Non-current lease liabilities	-	-
Total lease liabilities	-	-

The following amounts are recognised in the income statement for the year ended 31 March 2023:

Year ended 31 March (£)	2023	2022
Interest expense on lease liabilities	-	15
Income from sub-leasing of right-of-use assets	-	(5,302)
Gain on disposal of asset	-	-

Leases as a lessor

The majority of the leases where the Group was a lessor are in relation to vehicles. The Group classifies these as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, are as follows:

Year ended 31 March (£)	2023	2022
Less than one year	-	-
One to five years	-	-
More than five years	-	-
Total undiscounted lease payments to be received	-	-

Notes to the financial statements (continued)

12. Share capital and other reserves

The Company issued 1 share at its nominal value of £0.01 on 25 October 2016, the date of incorporation. There have been no changes to the capital structure of the Company during the year ended 31 March 2023, nor were there any in the prior year.

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.

Retained earnings

Retained earnings represent cumulative profits or losses, net of dividends paid, as at 31 March 2023.

13. Related party transactions

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

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

The Company's immediate parent undertaking is InMotion Ventures 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.