

SEVEN TELEMATICS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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SEVEN TELEMATICS LIMITED

CONTENTS

| | Page |
|---|---------|
| Company information | 1 |
| Directors' report | 2 - 3 |
| Statement of comprehensive income | 4 |
| Balance sheet | 5 - 6 |
| Statement of changes in equity | 7 |
| Notes to the financial statements | 8 - 21 |
| The following pages do not form part of the statutory financial statements: | |
| Detailed profit and loss account and summaries | 22 - 25 |

SEVEN TELEMATICS LIMITED

COMPANY INFORMATION

Directors M P Harman (resigned 2 May 2019)
R V Dunnett (resigned 2 May 2019)
W R Dunnett (resigned 2 May 2019)
I D McAllister
T Forman (resigned 2 May 2019)
J H Dunnett (resigned 2 May 2019)
A Shaw (appointed 31 May 2019)
J Sumner (appointed 2 May 2019)
A W Overton (appointed 2 May 2019)

Registered number 02541365

Registered office 36 Queensbridge
Northampton
NN4 7BF

SEVEN TELEMATICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their report and the financial statements for the year ended 30 September 2019.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Principal activity

The principal activity of the Company continued to be that of the production of temperature monitoring industrial instrumentation, together with asset tracking solutions.

Directors

The directors who served during the year were:

M P Harman (resigned 2 May 2019)
R V Dunnett (resigned 2 May 2019)
W R Dunnett (resigned 2 May 2019)
I D McAllister
T Forman (resigned 2 May 2019)
J H Dunnett (resigned 2 May 2019)
A Shaw (appointed 31 May 2019)
J Sumner (appointed 2 May 2019)
A W Overton (appointed 2 May 2019)

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

SEVEN TELEMATICS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

This report was approved by the board and signed on its behalf.



A Shaw
Director

Date: *20/6/2020*

SEVEN TELEMATICS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

| | Note | 2019 £000 | 2018 £000 |
|--|------|--------------|--------------|
| Turnover | | 4,874 | 3,503 |
| Cost of sales | | (2,208) | (1,785) |
| Gross profit | | 2,666 | 1,718 |
| Administrative expenses | | (2,922) | (1,671) |
| Other operating income | | - | 145 |
| Adjusted EBITDA | | 317 | 231 |
| Exceptional administrative expenses | 6 | (415) | - |
| Depreciation expense | | (23) | (31) |
| Intangible amortisation | | (135) | (8) |
| Operating (loss)/profit | | (256) | 192 |
| Interest payable and expenses | 4 | (25) | (32) |
| (Loss)/profit before tax | | (281) | 160 |
| Tax on (loss)/profit | 5 | (15) | (14) |
| (Loss)/profit for the financial year | | (296) | 146 |
| Total comprehensive income for the year | | (296) | 146 |

The notes on pages 8 to 21 form part of these financial statements.

SEVEN TELEMATICS LIMITED
REGISTERED NUMBER: 02541365

BALANCE SHEET
AS AT 30 SEPTEMBER 2019

| | Note | 2019 £000 | 2018 £000 |
|---|------|---------------------|---------------------|
| Fixed assets | | | |
| Intangible assets | 7 | 1,236 | 1,265 |
| Tangible assets | 8 | 41 | 52 |
| | | <u>1,277</u> | <u>1,317</u> |
| Current assets | | | |
| Stocks | | 348 | 527 |
| Debtors: amounts falling due within one year | 9 | 4,066 | 4,756 |
| Cash at bank and in hand | 10 | 208 | 42 |
| | | <u>4,622</u> | <u>5,325</u> |
| Creditors: amounts falling due within one year | 11 | (1,544) | (2,448) |
| Net current assets | | <u>3,078</u> | <u>2,877</u> |
| Total assets less current liabilities | | <u>4,355</u> | <u>4,194</u> |
| Creditors: amounts falling due after more than one year | 12 | - | (1,464) |
| Provisions for liabilities | | | |
| Deferred tax | 14 | (121) | (100) |
| | | <u>(121)</u> | <u>(100)</u> |
| Net assets | | <u><u>4,234</u></u> | <u><u>2,630</u></u> |
| Capital and reserves | | | |
| Capital contribution reserve | 15 | 1,900 | - |
| Profit and loss account | 15 | 2,334 | 2,630 |
| | | <u>4,234</u> | <u>2,630</u> |

SEVEN TELEMATICS LIMITED
REGISTERED NUMBER: 02541365

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2019

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



A Shaw
Director

Date: 26/8/2020

The notes on pages 8 to 21 form part of these financial statements.

SEVEN TELEMATICS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

| | Other reserves £000 | Profit and loss account £000 | Total equity £000 |
|--|------------------------------------|---|------------------------------|
| At 1 October 2017 | - | 2,484 | 2,484 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 146 | 146 |
| Total comprehensive income for the year | - | 146 | 146 |
| Total transactions with owners | - | - | - |
| At 1 October 2018 | - | 2,630 | 2,630 |
| Comprehensive income for the year | | | |
| Loss for the year | - | (296) | (296) |
| Total comprehensive income for the year | - | (296) | (296) |
| Capital contribution | 1,900 | - | 1,900 |
| At 30 September 2019 | 1,900 | 2,334 | 4,234 |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

1. General information

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

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company and the Group will continue for the foreseeable future. The uncertainty as to the future impact on the Group of the current COVID 19 outbreak has also been considered in detail as part of the adoption of a going concern basis and further detail is included in the directors report.

Horizon Capital LLP continues to support the business and has provided the directors with a letter of support at the time of the approval of the financial statements indicating that they will provide such support to enable the company and the group to meet their liabilities as they fall due for a period of at least 12 months.

Silicon Valley Bank are also supportive of the business and recently provided an additional £2m RCF facility.

Based on the approved forecasts and taking into account the letter of support noted above, the directors consider that the company has sufficient funding from Silicon Valley Bank and Horizon Capital LLP. On this basis, and the Group's ability to manage its discretionary costs should it be required to, the directors consider it appropriate to prepare the financial statements on a going concern basis.

SEVEN TELEMATICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.3 Revenue

Turnover represents the value of goods delivered to the customers during the year and of service charges for communications support provided by the Company.

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

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.5 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | | | |
|-------------------------|---|---|---------------------------|
| Patents | - | 3 | years straight line basis |
| Development expenditure | - | 5 | years straight line basis |

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

SEVEN TELEMATICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|--------------------------------|-----------------------------|
| Plant and machinery | - 2 - 7 years straight line |
| Fixtures, fittings & equipment | - 3 - 5 years straight line |
| Computer equipment | - 3 years straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.13 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials, and where applicable, direct labour and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the Statement of Comprehensive Income. Reversals of impairment losses are also recognised in the Statement of Comprehensive Income.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)**2.17 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 31 (2018 - 39).

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

4. Interest payable and similar expenses

| | 2019 | 2018 |
|--|------------------|-----------|
| | £000 | £000 |
| Bank interest payable | 3 | 7 |
| Loans from group undertakings | 15 | 25 |
| Finance leases and hire purchase contracts | 7 | - |
| | <u>25</u> | <u>32</u> |

5. Taxation

| | 2019 | 2018 |
|--|-------------------|-----------|
| | £000 | £000 |
| Corporation tax | | |
| Current tax on profits for the year | (6) | - |
| | <u>(6)</u> | <u>-</u> |
| Total current tax | <u>(6)</u> | <u>-</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 21 | 14 |
| | <u>21</u> | <u>14</u> |
| Total deferred tax | <u>21</u> | <u>14</u> |
| Taxation on profit on ordinary activities | <u>15</u> | <u>14</u> |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

6. Exceptional items

| | 2019 | 2018 |
|-------------------------------------|-------------|------|
| | £000 | £000 |
| Exceptional administrative expenses | 415 | - |
| | 415 | - |

In May 2019, the company was acquired by Connexas Holdings Limited. Exceptional administrative expenses were incurred as part of the acquisition and subsequent restructuring of the business.

7. Intangible assets

| | Patents |
|-----------------------|----------------|
| | £000 |
| Cost | |
| At 1 October 2018 | 1,289 |
| Additions | 105 |
| At 30 September 2019 | 1,394 |
| Amortisation | |
| At 1 October 2018 | 23 |
| Charge for the year | 135 |
| At 30 September 2019 | 158 |
| Net book value | |
| At 30 September 2019 | 1,236 |
| At 30 September 2018 | 1,265 |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

8. Tangible fixed assets

| | Plant and machinery etc. £000 |
|-------------------------------------|--|
| Cost or valuation | |
| At 1 October 2018 | 181 |
| Additions | 12 |
| At 30 September 2019 | 193 |
| Depreciation | |
| At 1 October 2018 | 129 |
| Charge for the year on owned assets | 23 |
| At 30 September 2019 | 152 |
| Net book value | |
| At 30 September 2019 | 41 |
| At 30 September 2018 | 52 |

9. Debtors

| | 2019 £000 | 2018 £000 |
|------------------------------------|----------------------|----------------------|
| Trade debtors | 1,137 | 1,045 |
| Amounts owed by group undertakings | 2,385 | 3,251 |
| Other debtors | 110 | 253 |
| Prepayments and accrued income | 428 | 207 |
| Tax recoverable | 6 | - |
| | 4,066 | 4,756 |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

10. Cash and cash equivalents

| | 2019 | 2018 |
|--------------------------|-------------|------|
| | £000 | £000 |
| Cash at bank and in hand | 208 | 42 |
| | 208 | 42 |

11. Creditors: Amounts falling due within one year

| | 2019 | 2018 |
|---|--------------|-------|
| | £000 | £000 |
| Bank overdrafts | - | 660 |
| Bank loans | - | 150 |
| Trade creditors | 804 | 433 |
| Amounts owed to group undertakings | 563 | 943 |
| Other taxation and social security | 10 | 134 |
| Obligations under finance lease and hire purchase contracts | 89 | 6 |
| Other creditors | 28 | 29 |
| Accruals and deferred income | 50 | 93 |
| | 1,544 | 2,448 |

The bank overdraft facility was secured on certain assets of the Company including the sales ledger balances.

Amounts owed to group undertakings and related parties is £Nil (2018 - £330,000) which was secured on shares of the parent company Transcan Limited.

Obligations under finance lease and hire purchase contracts are secured on the underlying assets.

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

12. Creditors: Amounts falling due after more than one year

| | 2019 | 2018 |
|--|-------------|--------------|
| | £000 | £000 |
| Obligations under finance leases and hire purchase contracts | - | 25 |
| Amounts owed to group undertakings | - | 1,376 |
| Other creditors | - | 63 |
| | <u>-</u> | <u>1,464</u> |
| | <u>-</u> | <u>1,464</u> |

Obligations under finance leases and hire purchase contracts are secured on the underlying assets.

Amounts owed to group undertakings were secured on the shares of the parent company Transcan Limited.

13. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

| | 2019 | 2018 |
|-----------------|-------------|----------|
| | £000 | £000 |
| Within one year | 89 | 6 |
| | <u>89</u> | <u>6</u> |
| | <u>89</u> | <u>6</u> |

14. Deferred taxation

| | 2019 | 2018 |
|---------------------------|-------------|------------|
| | £000 | £000 |
| At beginning of year | 100 | 86 |
| Charged to profit or loss | 21 | 14 |
| | <u>121</u> | <u>100</u> |
| At end of year | <u>121</u> | <u>100</u> |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

14. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

| | 2019 | 2018 |
|--------------------------------|-------------------|------------|
| | £000 | £000 |
| Accelerated capital allowances | 190 | 144 |
| Tax losses carried forward | (69) | (35) |
| Other timing differences | - | (9) |
| | <u>121</u> | <u>100</u> |

15. Reserves**Capital redemption reserve**

The capital redemption reserve relates to share capital that has been bought back by the Company.

Capital contribution reserve

The capital contribution reserve included a non-returnable capital contribution received from the parent company, which is considered to be distributable.

Profit and loss account

The profit and loss account included all current and prior period retained profits and losses.

16. Contingent liabilities

The directors have confirmed that there were no contingent liabilities as at 30 September 2019 or 30 September 2018.

17. Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £26,000 (2018 - £22,000).

Contributions totaling £3,000 (2018 - £2,000) were payable to the scheme at the end of the year and are included in creditors.

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

18. Commitments under operating leases

At 30 September 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2019 | 2018 |
|-----------------------|-------------|------------|
| | £000 | £000 |
| Not later than 1 year | - | 280 |
| | <u>-</u> | <u>280</u> |
| | <u>-</u> | <u>280</u> |

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

19. Related party transactions

The Company has taken advantage of exemptions, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The parent undertaking is Transcan Limited. The ultimate parent undertaking is Seven Transcan Limited. The ultimate controlling related party was Mr R V Dunnett up to May 2019 when the company was acquired by Connexas Holdings Limited.

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

| Name of related party | Nature of relationship |
|------------------------------|-------------------------------|
| Seven Asset Limited | Related Company |
| Seven Lincs Limited | Related Company |
| Seven Property Limited | Related Company |
| Used Trucks Limited | Related Company |

| Name of related party | Description of transaction | Income | | Payments | |
|------------------------------|-----------------------------------|---------------|-------------|-----------------|-------------|
| | | 2019 | 2018 | 2019 | 2018 |
| | | £ | £ | £ | £ |
| Seven Asset Limited | Sales and purchases | - | 421,685 | - | 325,178 |
| Seven Lincs Limited | Sales and purchases | - | 15,510 | - | - |
| Seven Property Limited | Sales | - | 3,516 | - | - |
| Used Trucks Limited | Sales | - | 4,500 | - | - |

In addition, during the year, management charges of £nil (2018 - £244,394) were payable to Seven Asset Limited.

In addition, during the year, there were other transactions with Seven Eye Limited, these being management charges receivable of £nil (2018 - £145,358) and £nil (2018 - £506,138) for the use of staff within Seven Eye Limited.

In addition, during the year, interest of £nil (2018 - £25,492) was payable to the Andrastar Pension Scheme.

SEVEN TELEMATICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

19. Related party transactions (continued)**Amounts owed to/by related parties**

The following amounts were outstanding at the reporting end date:

| | Amount owed to | | Amounts owed by | |
|-----------------------------|----------------|-----------|-----------------|-----------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Andrastar Pension scheme | - | 1,705,525 | - | - |
| Seven Asset Limited | - | 521,228 | - | 221,870 |
| Seven Eye Limited | - | 92,010 | - | - |
| Seven Lincs Limietd | - | - | - | 5,231 |
| Seven Property Limited | - | - | - | 1,566,941 |
| Seven Transcan Limited | - | - | - | 1,445,740 |
| Structured Systems Limited | - | 90 | - | - |
| Telematics Portugal Limited | - | - | - | 8,587 |
| Transcan Limited | - | - | - | 2,635 |

Seven Eye Limited is a subsidiary of Seven Transcan Limited. All of the other companies were controlled by Mr R V Dunnnett up to May 2019 when the company was acquired by Connexas Group Limited.

20. Controlling party

Following a change of ownership the Company's immediate parent is Connexas Holdings Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Connexas Group Limited.

These financial statements are available upon request from 36 Queensbridge, Northampton, NN4 7BF.

The ultimate controlling party is Horizon Capital LLP.

SEVEN TELEMATICS LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

| | 2019 | 2018 |
|---|----------------|---------|
| | £000 | £000 |
| Turnover | 4,874 | 3,503 |
| Cost of sales | (2,208) | (1,786) |
| Gross profit | 2,666 | 1,717 |
| Other operating income | - | 145 |
| Less: overheads | | |
| Administration expenses | (2,922) | (1,670) |
| Operating (loss)/profit | (256) | 192 |
| Interest payable | (25) | (32) |
| Tax on (loss)/profit on ordinary activities | (15) | (14) |
| (Loss)/Profit for the year | (296) | 146 |