

EMOVIS TECHNOLOGIES UK LTD

Company Registration No: 02102210

Directors' report and Financial statements

For the year ended 31 December 2018



EMOVIS TECHNOLOGIES UK LTD

COMPANY INFORMATION

Directors	Bertrand Gorrée Neil Conway
Company secretary	Thrings Company Secretarial Limited
Company number	02102210
Registered office	7th Floor 20, Saint Andrew street, London EC4A 3AG
Auditors	Constantin 25 Hosier Lane London, EC1A 9LQ

EMOVIS TECHNOLOGIES UK LTD

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EMOVIS TECHNOLOGIES UK LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activities

Emovis Technologies UK supports the IT Service Management system with the provision of maintenance and services for toll collections systems to internal and external customers in accordance with the Service Catalogue.

Post balance sheet event

No specific events to report since the beginning of 2019.

Business review

The directors have noted a positive result for the ended 31 December 2018. This is due to the new transfer price policy.

The employees have been transferred to Emovis Operations Leeds on September 1st 2018. The business activity has decreased because a part of the activity has been transferred to Emovis Operations Leeds too.

Directors

The directors who served during the year were:

Bertrand Gorrée

Jérôme Couzineau (resigned 29 October 2018)

Santiago Rodriguez (appointed 10 October 2018 and resigned 31 January 2019)

Neil Conway (appointed 31 January 2019)

Principal risk and uncertainties

As of today, both as subcontractor for the maintenance of tolling systems and as tolling system integrator, Emovis Technologies UK Ltd is facing potential technical and business continuity risks in activity. Those are mitigated thanks to a high level of competencies of its staff and thanks to an excellent business relationship with its customers in order to make this relationship as long as possible and to be able to win new contracts.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law and applicable 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 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.

EMOVIS TECHNOLOGIES UK LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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 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.

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

Results

The profit for the year after taxation amounts to £241,834 (Loss in 2017 : £159,271).
The directors do not recommend the payment of a dividend (2017 - £NIL).

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the report) of which the company's auditor is unaware, and;
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Constantin, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the board and signed **17 SEP 2019** on its behalf by:


Bertrand Gouree

Director

Date

September 17th, 2019

EMOVIS TECHNOLOGIES UK LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMOVIS TECHNOLOGIES UK LTD

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Emovis Technologies UK Limited:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 Reduced Disclosure Framework ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise

- the Statement of comprehensive income ;
- the Statement of financial position ;
- the Statement of changes in equity ; and
- the related notes 1 to 14.

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

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 Financial Reporting Council's (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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

We have nothing to report in respect of these matters.

EMOVIS TECHNOLOGIES UK LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMOVIS TECHNOLOGIES UK LTD

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

EMOVIS TECHNOLOGIES UK LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMOVIS TECHNOLOGIES UK LTD

Report on other legal and regulatory requirements

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.

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

Matters on which we are required to report by exception

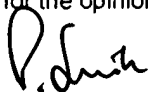
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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



Peter Smith, FCA (Senior Statutory Auditor)
For and on behalf of Constantin,
Chartered Accountants and Statutory Auditors

25 Hosier Lane
London
EC1A 9LQ

17 September 2019.

EMOVIS TECHNOLOGIES UK LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Note	£	£
Turnover	2	2,632,792	4,372,658
Cost of sales		(1,761,052)	(3,480,823)
Gross profit		871,740	891,835
Administrative expenses		(605,567)	(1,051,312)
Operating profit/(loss)	3	266,173	(159,477)
Profit/(Loss) on ordinary activities before taxation		266,173	(159,477)
Tax on profit on ordinary activities	6	(24,339)	206
Profit/(Loss) for the financial year		241,834	(159,271)
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		241,834	(159,271)

All amounts relate to continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

EMOVIS TECHNOLOGIES UK LTD

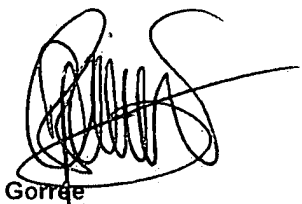
Registered No: 02102210

STATEMENT OF THE FINANCIAL POSITION
AS AT 31 DECEMBER 2018

		2018	2017
	Note	£	£
Fixed assets			
Tangible assets	7	10,340	16,398
Current assets			
Stocks	8	57,290	99,451
Debtors	9	1,847,207	3,147,708
Cash at bank and in hand		333,055	171,350
		<u>2,237,553</u>	<u>3,418,509</u>
Creditors: amounts falling due within one year	10	(1,007,659)	(2,436,508)
Net current assets		<u>1,229,893</u>	<u>982,001</u>
Net assets		<u>1,240,233</u>	<u>998,399</u>
Capital and reserves			
Called up share capital	11	130,000	130,000
Retained earnings		<u>1,110,233</u>	<u>868,399</u>
Shareholders' funds		<u>1,240,233</u>	<u>998,399</u>

The notes on pages 9 to 17 form part of these financial statements.

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



Bertrand Gorree
Director
Date:

September 17th, 2019

EMOVIS TECHNOLOGIES UK LTD

Registered No: 02102210

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2017	130,000	1,027,670	1,157,670
Loss for the year and other comprehensive loss		-159,271	-159,271
At 31 December 2017	130,000	868,399	998,399
Profit for the year and other comprehensive income		241,834	241,834
At 31 December 2018	130,000	1,110,233	1,240,233

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting Policies

Emovis Technologies UK Ltd is a private company incorporated in England and Wales under the Companies Act 2006. The registered number is 02102210. The address of the registered office is given on the company information page. The nature of the Company's operations and its principal activities is set out in the directors' report. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis except where indicated otherwise.

The financial statements are presented in pounds sterling, which is also the Company's functional currency, and rounded to the nearest pounds, except where indicated.

The financial statements have been prepared and in accordance with the Companies Act 2006 and the principal accounting policies as summarised below. They have all been applied consistently throughout the year.

These financial statements have been prepared on a going concern basis.

The following accounting policies have been applied consistently in the current and preceding accounting period in dealing with the items which are considered material in relation to the company's financial statements.

1.1 Turnover

Turnover comprises revenue recognized by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax, other sales taxes and trade discounts.

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2018**

The company recognises revenue from the maintenance of toll collection system over the life of the contract. Any revenue relating to the following accounting period is deferred income.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- 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.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 20-33% straight line
Fixtures & fittings	- 10-20% straight line

1.3 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognized on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefit from the leased asset are consumed.

1.4 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2018**

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Statement of financial position date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognized in the Statement of Comprehensive Income. .

1.7 Pensions

The company operates a defined contribution pension scheme. The amount charged to the Statement of Financial Position in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of financial position.

1.8 Financial assets and liabilities

Debtors

Debtors are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current asset. If not, they are presented as non-current assets.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposit held at call with banks and bank overdrafts.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary courses of business from suppliers.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related accrual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

(a) Useful economic lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the asset.

(b) Impairment of debtors

The company makes an estimates of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivable., management considers the ageing profile of receivables and historical experience.

2. Turnover

A geographical analysis of turnover is as follows:

	2018	2017
	£	£
United Kingdom	1,046,410	2,445,733
Rest of European Union	1,586,382	1,926,925
Rest of the World		
	<u>2,632,792</u>	<u>4,372,658</u>

An analysis of the Company's turnover is as follow:

	2018	2017
	£	£
Sales of goods	30,710	368,765
Rendering of services	1,027,782	4,003,893
Transfer Price Adjustment	1,574,300	
	<u>2,632,792</u>	<u>4,372,658</u>

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Operating (Profit)/ Loss

The operating profit/ (loss) is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the company	6,058	6,260
Operating lease rentals:		
- plant and machinery	20,789	18,317
- other operating leases	20,152	20,150
Inventories recognised as an expense	<u>556</u>	<u>6,922</u>

4. Auditors' remuneration

	2018 £	2017 £
Fees payable to the company's auditor for the audit of the company's annual accounts	6,980	7,500
Fees payable to the company's auditor and its associates in respect of taxation compliance services	<u>1,855</u>	<u>1,760</u>

5. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	376,099	543,005
Social security costs	50,543	69,710
Pension costs	<u>11,924</u>	<u>21,405</u>
	<u>438,567</u>	<u>634,120</u>

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The employees has been transferred to another company of the group in September 2018. The average monthly number of employees, including the directors, during the year was as follows:

	2018	2017
	No.	No.
Directors	1	1
Other employees	7	12
	<u>8</u>	<u>13</u>

The directors received no remuneration during the year (2017 - £NIL).

6. Taxation

	2018	2017
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	56,932	-
Adjustments in respect of prior periods	(32,593)	206
Tax on (loss) / profit on ordinary activities	<u>24,339</u>	<u>206</u>

Factors affecting tax charge for the year

	2018	2017
	£	£
(Loss) / Profit on ordinary activities before tax	266,173	(159,477)
(Loss) / Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19 % (2017 – 19.25%)	50,573	(30,699)
Effects of:		
Expenses not deductible for tax purposes	139	322
Adjustment in respect of prior period	(32,593)	206
Movement in unrecognized deferred tax	6,220	(30,377)
Tax on (loss) / profit on ordinary activities	<u>24,339</u>	<u>206</u>

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. Tangible fixed assets

	Plant & machinery	Fixtures & fittings	Total
	£	£	£
Cost			
At 1 January 2018	73,283	17,198	90,481
Additions	0	0	0
Disposals	(29,156)	(8,730)	(37,886)
At 31 December 2018	44,127	8,468	52,595
Depreciation			
At 1 January 2018	59,220	14,863	74,083
Charge for the year	4,899	1,159	6,058
Disposals	(29,156)	(8,730)	(37,886)
At 31 December 2018	34,963	7,292	42,255
Net book value			
At 31 December 2018	9,164	1,176	10,340
At 31 December 2017	14,063	2,335	16,398

8. Stocks

	2018	2017
	£	£
Raw materials	57,290	99,451

9. Debtors:

Amounts falling due within one year

	2018	2017
	£	£
Trade debtors	86,444	597,641
Amounts owed by group undertakings	897,850	2,031,311
Other debtors	10,333	12,634
Other tax	122,616	67,610
Prepayments and accrued income	729,964	438,512
	1,847,207	3,147,708

Amounts owed by Group undertakings are unsecured interest free have no fixed date of repayment and are repayable on demand.

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. Creditors:

Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	487,922	139,769
Amounts owed to group undertakings	-	-
Corporation tax	24,351	-
Social security and other taxes	56,244	226,257
Other	-	-
Accruals and deferred income	439,143	2,070,482
	<u>1,007,659</u>	<u>2,436,508</u>

11. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
130,000 Ordinary shares of £1 each	<u>130,000</u>	<u>130,000</u>

All shares rank parum passu in all respects.

12. Operating lease commitments

At 31 December 2018 the company had total commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2018	2017
	£	£
Expiry date:		
Within 1 year	20,150	20,150
Between 2 and 5 years	33,583	53,733
More than 5 years	<u>-</u>	<u>-</u>

13. Pension charge

The pension charge represents the contribution due from the company and amounted to £11,924 (in 2017: £21,405). The pension amount outstanding at the year-end was £2,198 (2017: £14,167).

EMOVIS TECHNOLOGIES UK LTD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2018**

14. Ultimate parent undertaking and controlling party

The immediate parent company and controlling party is **EMOVIS**, a company incorporated in France. The ultimate parent company is Abertis Infraestructuras S.A, a company incorporated in Spain.

Abertis Infraestructuras S.A prepares group financial statements and copies can be obtained from Paseo de la Castellana 39, 28046 Madrid, Spain.

Abertis Infraestructuras S.A is the smallest and largest group for which group accounts are prepared and which includes Emovis Technologies UK Ltd in its consolidated financial statements.

The ultimate controlling party is not known as the ultimate parent undertaking, Abertis Infraestructuras S.A, has no majority shareholder because it is publicly listed on the IBEX 35 market.