

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD 1 MAY 2018 TO 30 SEPTEMBER 2019
FOR
EVOLVE ANALYTICS LIMITED**



Evolve Analytics Limited (REGISTERED NUMBER 02950904)

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for the period ended 30 September 2019**

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Evolve Analytics Limited (REGISTERED NUMBER 02950904)

COMPANY INFORMATION
For the Period Ended 30 September 2019

DIRECTORS:

A Duggan (Resigned 28 February 2020)
I Black (Appointed 29 June 2018, Resigned 24 February 2020)
T Bluett (Appointed 29 June 2018, Resigned 31 January 2020)
J Clifford (Appointed 29 June 2018, Resigned 15 June 2020)
J Richardson (Resigned 29 June 2018)
I Fisher (Resigned 29 June 2018)
A Fischer (Resigned 29 June 2018)
A Fletcher (Resigned 29 June 2018)
M Perkins (Resigned 29 June 2018)
R Bartlett (Appointed 23 March 2020)
J A Spence (Appointed 15 June 2020)

REGISTERED OFFICE:

Imperial Place
2 Maxwell Road
Borehamwood
Hertfordshire
WD6 1JN

REGISTERED NUMBER: 02950904

AUDITOR:

KPMG LLP
Chartered Accountants
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

STRATEGIC REPORT for the Period Ended 30 September 2019

The directors present their strategic report for the period ended 30 September 2019.

FAIR REVIEW OF THE COMPANY'S BUSINESS

The principal activity of the company is to deliver and support essential software that utilities and airports need to lower service costs, drive innovation and confidently navigate market reform. Evolve Analytics Limited forms part of the Gentrack group of subsidiary companies in the UK. Gentrack Group Limited is a publicly listed company on the New Zealand and Australian stock exchanges.

REVIEW OF BUSINESS

Evolve Analytics Limited continues to operate in the United Kingdom. Sales for the 17 months ended 30 September 2019 were £5.9m (year ended 2018: £2.0m), Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) were £3.9m (year ended 2018: £1.6m).

Evolve Analytics Limited is a wholly owned subsidiary of Evolve Parent Limited, which in turn is a subsidiary of Gentrack Group Limited.

Revenue growth from prior year has been driven by successful implementation of new software that went live in 2018. The increase in EBITDA has been driven based on cost remaining unchanged despite increase in revenue.

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the company, principle risks and uncertainties are integrated with the principle risks and uncertainties of the group, which include those of the company, are discussed in the Gentrack Group Limited consolidated group annual report and financial statements which do not form part of this report.

The Company is exposed to normal market and economic risks, including consolidation and failure of some Utility businesses, Brexit uncertainty and Government review/intervention in the energy retail markets. These combine to create investment uncertainty amongst some of our Utility customers and impacts Utility margins and business model. The Company continues to manage competition by concentrating on its strengths.

The Company minimises regulatory risk by training key personnel and appointing external experts where appropriate, to assess any potential non-compliance. Accounting is an example of an externally audited area.

The COVID-19 Pandemic had no material impact on Evolve Analytics limited, because it is no longer trading as an entity, it has been hived up into Gentrack from 1 October 2019.

KEY PERFORMANCE INDICATORS

The main key performance indicators are revenue growth and percentage of recurring revenue. The new software developed in 2018, has driven revenue growth to increase by 102% in current period compared to prior period which was grossed-up to allow comparison to current period, this amount is unaudited. Recurring revenue is 99% of the total revenue in the current period.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**STRATEGIC REPORT (continued)
for the Period Ended 30 September 2019**

PEOPLE

The Company understands and appreciates the vital role its employees play in the current and future success of the business. To encourage employee development, the Company continues to operate and enhance its training and development programmes. Employees are kept informed on a wide range of matters including the future strategy of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company places great importance on its corporate social responsibility and aims to ensure that the Company is a key player within the heart of the respective local communities.

FUTURE DEVELOPMENTS

Effective from 1 October 2019, Evolve Analytics Limited has been hived up into Gentrack UK Limited and Evolve Analytics Limited will no longer trade as an entity.

COMPLIANCE WITH MODERN SLAVERY ACT

Evolve Analytics Limited is committed to ensure that there are no cases of modern slavery or human trafficking in its supply chains or in any parts of its business.

We expect all our suppliers to have appropriate anti-slavery and human trafficking policies and processes in place. We never knowingly engage with suppliers or contractors involved in slavery or human trafficking and reserve the right to terminate our agreements with any third party found to have engaged in these practices.

Our recruitment policies protect against slavery and / or human trafficking in our business. We support and encourage the reporting of any concerns.

ON BEHALF OF THE BOARD:



.....
R Bartlett - Director

Date: Sep 8, 2020
.....

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

REPORT OF THE DIRECTORS for the Period Ended 30 September 2019

The directors present their report with the financial statements of the company for the period ended 30 September 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of information technology consultancy activities.

DIRECTORS

The directors shown below have held office during the whole of the period from May 2018 to the date of this report.

R Bartlett (Appointed 23 March 2020)
J Spencer (Appointed 15 June 2020)

Other changes in directors holding office are as follows:

J Richardson (resigned 29 June 2018)
I Fisher (resigned 29 June 2018)
A Fischer (resigned 29 June 2018)
A Fletcher (resigned 29 June 2018)
M Perkins (resigned 29 June 2018)
J P Clifford (Appointed 29 June 2018, resigned 15 June 2020)
T Bluett (Appointed 29 June 2018, resigned 31 January 2020)
I Black (Appointed 29 June 2018, resigned 24 February 2020)
A Duggan (resigned 28 February 2020).

CESSATION OF TRADING

Evolve Analytics Limited ceased trading on 30 September 2019. The trade and assets were transferred to Gentrack UK Limited, a fellow subsidiary of the ultimate parent on 1 October 2019.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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 period. 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so as explained in the note 2.1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**REPORT OF THE DIRECTORS (continued)
for the Period Ended 30 September 2019**

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

KPMG LLP were appointed auditor of the company during the period.

The auditors, KPMG LLP, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
R Bartlett - Director
Imperial Place
2 Maxwell Road
Borehamwood
Hertfordshire
WD6 1JN

Date: Sep 8, 2020
.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVOLVE ANALYTICS LTD

Opinion

We have audited the financial statements of Evolve Analytics Limited ("the company") for the period ended 30 September 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Emphasis of matter - Non going concern basis of preparation

We draw attention to the disclosure made in note 2.1 to the financial statements which explains that the financial statements have not been prepared on going concern basis for the reasons set out in the note. Our opinion is not modified in respect of this matter.

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVOLVE ANALYTICS LTD (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so as explained in note 2.1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

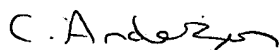
Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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



Charlotte Anderson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Date 16.9.20

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	Notes	1.5.18 to 30.9.19 £	30.4.18 £
TURNOVER	3	5,881,373	2,032,816
Cost of sales		<u>(245,587)</u>	<u>(94,110)</u>
GROSS PROFIT		5,635,786	1,938,706
Administrative expenses		(2,235,095)	(1,211,957)
Income from shares in group undertakings	8	<u>-</u>	<u>300,000</u>
OPERATING PROFIT		3,400,691	1,026,749
Interest receivable and similar income	5	<u>47,601</u>	<u>-</u>
		3,448,292	1,026,749
Interest Payable and similar expenses	6	<u>(4,300)</u>	<u>-</u>
PROFIT BEFORE TAXATION	7	3,443,992	1,026,749
Tax on Profit	9	<u>(647,626)</u>	<u>(75,109)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>2,796,366</u></u>	<u><u>951,640</u></u>

The accompanying notes form part of these financial statements

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

	1.05.18 to 30.9.19 £	30.04.18 £
PROFIT FOR THE PERIOD	2,796,366	951,640
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>2,796,366</u>	<u>951,640</u>

The accompanying notes form part of these financial statements

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**BALANCE SHEET
AS AT 30 SEPTEMBER 2019**

	Notes	30.9.19		30.4.18	
		£	£	£	£
ASSETS					
Non- current assets					
Tangible Assets	10		18,300		40,347
Intangible Assets	11		<u>2,146,014</u>		<u>1,864,949</u>
			2,164,314		1,905,296
CURRENT ASSETS					
Debtors: Amount falling due within one year	12	1,570,332		802,757	
Debtors: Amount falling due more than one year	13	2,543,300		-	
Cash and cash equivalents		<u>202,896</u>		<u>290,476</u>	
			4,316,528		1,093,233
CREDITORS					
Amounts falling due within one year	14	<u>(1,222,938)</u>		<u>(536,991)</u>	
NET CURRENT ASSETS			<u>3,093,590</u>		<u>556,242</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,257,904</u>		<u>2,461,538</u>
NET ASSETS			<u>5,257,904</u>		<u>2,461,538</u>
CAPITAL AND RESERVES					
Called up share capital	17		1,224		1,224
Retained earnings			<u>5,256,680</u>		<u>2,460,314</u>
SHAREHOLDERS' FUNDS			<u>5,257,904</u>		<u>2,461,538</u>

Sep 8, 2020

The financial statements were approved by the Board of Directors on and were signed on its behalf by:



.....
R Bartlett - Director

The accompanying notes form part of these financial statements

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

STATEMENT OF CHANGE IN EQUITY
for the Period Ended 30 September 2019

	Called up Share capital £	Share premium	Profits and loss account £	Total equity £
Balance at 1 May 2017	12,491,853	3,173,186	(12,955,141)	2,709,898
Share capital reduction	(12,490,629)	(3,173,186)	15,663,815	-
Dividends			(1,200,000)	(1,200,000)
Profit for the financial year being total comprehensive income	-	-	951,640	951,640
Balance at 30 April 2018	<u>1,224</u>	<u>-</u>	<u>2,460,314</u>	<u>2,461,538</u>
Balance at 1 May 2018	1,224	-	2,460,314	2,461,538
Profit for the financial period being total comprehensive income	-	-	2,796,366	2,796,366
Balance at 30 September 2019	<u>1,224</u>	<u>-</u>	<u>5,256,680</u>	<u>5,257,904</u>

The accompanying notes form part of these financial statements

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

NOTES TO THE FINANCIAL STATEMENTS for the Period Ended 30 September 2019

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have not been prepared on a going concern basis because the directors intend to strike off the company within 12 months from the balance sheet date. The financial statements have therefore been prepared on the alternative (break-up) basis.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d), 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of capital management.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019

2. ACCOUNTING POLICIES - continued

Turnover

Evolve Analytics Limited recognises revenue from customer when the performance obligation has been accomplished. A performance obligation is accomplished when the customer has received all of the benefits promised under the performance obligation. The following sections detail the type of revenue recognised within each category:

Effective from 1 October 2018 Evolve Analytics Limited adopted IFRS 15 Revenue from contracts with Customers, this did not result in significant changes in accounting policies related to revenue recognition.

Revenue is recognised for the major business activities as follows:

SOFTWARE LICENCE FEE REVENUE (NON-RECURRING)

Revenue from licence fees due to software sales is recognised on the transferring of significant risks and rewards of control of the licensed software under agreement between the Company and the customer.

**IMPLEMENTATION SERVICES REVENUE FOR LICENSED SOFTWARE
(PROFESSIONAL SERVICES)**

Revenue from implementation services attributable to licensed software is recognised based on the stage of completion, typically in accordance with the achievement of contract milestones and/or hours expended and forecast.

**POST SALES CUSTOMER SUPPORT REVENUE FOR LICENSED
SOFTWARE (RECURRING)**

Post sales customer support ('PSCS') revenue for licensed software comprises fees for ongoing upgrades, minor software revisions and helpline support. PSCS revenue is allocated between annual fees for helpline support and fees for rights of access to ongoing upgrades and minor software patches. At each reporting date, the unearned portion of the revenue is assessed and deferred to be recognised over the period of service.

CONSULTING SERVICES REVENUE (PROFESSIONAL SERVICES)

Revenue from project services agreements is based on the stage of completion, typically in accordance with the achievement of contract milestones and/or hours expended, and forecast.

DEFERRED REVENUES

Consideration received prior to the goods or service being rendered is recognised in the Statement of Financial Position as deferred revenues.

ACCRUED INCOME

Revenue for which goods or services have been rendered but invoices have not been issued is recognised within the Statement of Financial Position as accrued income and included within trade and other receivables.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

2. ACCOUNTING POLICIES – continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - straight line over 3-4 years

Intangible assets

For software development expected to derive future economic benefits, directly attributable IT development costs, including staff costs, are capitalised. These are included within computer software development. Amortisation is charged to write off the cost or valuation of assets over their useful estimated lives, using the straight-line method against the opening cost, on the following bases:

Computer software - 5 years
Computer software development - 10 years

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised costs using the ineffective interest method, less any impairment losses.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

2. ACCOUNTING POLICIES – continued

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised costs using the ineffective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprises cash at banks and on hand.

2.1 Going Concern

Evolve Analytics Limited is no longer a going concern as it ceased trading on 30 September 2019 as it was hived up into Gentrack UK Limited from 1 October 2019.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	30.9.19	30.4.18
	£	£
IT Consultancy	5,881,373	2,032,816
Licences	-	-
	<u>5,881,373</u>	<u>2,032,816</u>

An analysis of turnover by geographical market is given below:

	30.9.19	30.4.18
	£	£
United Kingdom	5,313,293	2,032,816
Europe	568,080	-
	<u>5,881,373</u>	<u>2,032,816</u>

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019

4. EMPLOYEES AND DIRECTORS

	30.9.19	30.4.18
	£	£
Wages and salaries	1,111,462	449,306
Social Security costs	116,396	47,741
Other pension costs	<u>32,140</u>	<u>10,346</u>
	<u>1,259,998</u>	<u>507,393</u>

The average number of employees during the period was as follows:

	30.9.19	30.4.18
	£	£
Service Delivery	6	6
IT & Development	13	13
Product, sales and commercial	1	1
Administration	<u>2</u>	<u>2</u>
	<u>22</u>	<u>22</u>

	30.9.19	30.4.18
	£	£
Directors' remuneration	<u>237,573</u>	<u>168,652</u>

A directors' payment made by the company for the period was £237,573 (2018:168,652). The other key directors of the business are paid through the other group entities.

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.19	30.4.18
	£	£
Interest receivable and similar income	<u>47,601</u>	<u>-</u>

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

6. INTEREST PAYABLE AND SIMILAR EXPENSES (continued)

	30.9.19	30.4.18
	£	£
Interest payable and similar expenses	<u>4,300</u>	<u>-</u>

7. PROFIT BEFORE TAXATION

The operating profit for the period is stated after charging/(crediting):

	30.9.19	30.04.18
	£	£
Staff costs (including directors) (note 4)	1,259,998	507,393
Depreciation of tangible fixed assets – owned (note 10)	26,773	26,864
Amortisation of intangible fixed assets – owned (note 11)	433,235	514,217
Operating leases (note 15)	41,748	21,843
Foreign exchange difference	2	-

Services provided by the Group's auditors

During the period, the Group obtained the following services from its auditor at costs as detailed below:

	30.09.19	30.04.18
	£	£
Audit services		
Fees payable to the Company's auditors for the company financial statements	<u>22,000</u>	<u>15,000</u>

The audit fee charged in 2018 relates to the previous auditor.

8. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	30.09.19	30.04.18
	£	£
Recognised in arriving at operating profit		
Dividend income	-	(300,000)
	-	(300,000)

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019

9. TAXATION

(a) Tax on profit on ordinary activities

	30.09.19	30.04.2018
	£	£
Current tax		
Corporation tax at 19% (2018: 19%)	578,405	18,054
Adjustments in respect of prior periods	(9,685)	-
Total current tax	568,720	18,054
Deferred tax (note 16)		
Current period	84,753	68,616
Adjustments in respect of prior period	-	(5,862)
Effects of changes in tax rates	(5,847)	(5,699)
Total deferred tax	78,906	57,055
Tax on profit on ordinary activities	647,626	75,109

(b) Factors affecting the tax charge for the year

The tax assessed for the period is lower than the standard rate of the corporation tax in the UK. The difference is explained below:

	30.9.19	30.4.18
	£	£
Profit before income tax	3,443,992	1,026,749
Profit on ordinary activities at 19%	654,358	195,082
Effects of:		
Adjustments in respect of prior periods	(8,963)	(5,862)
Disallowed expenses	8,078	-
Tax rate changes	(5,847)	(5,699)
Effects of reliefs/group relief	-	(51,409)
Non assessable dividends	-	(57,003)
Tax on profit on ordinary activities	647,626	75,109

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 30 September 2019 has been calculated based on this rate. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

10. TANGIBLE FIXED ASSETS	Plant and Machinery	£
Cost		
As at 1 May 2018		117,859
Additions		4,726
Disposals		(6,619)
As at 30 September 2019		115,966
Accumulated depreciation		
As at 1 May 2018		(77,512)
Charge for the period		(26,773)
Disposals		6,619
As at 30 September 2019		(97,666)
Net book value:		
At 30 September 2019		18,300
At 30 April 2018		40,347
11. INTANGIBLE FIXED ASSETS	Computer software development	£
Cost		
At 1 May 2018		2,877,751
Additions		714,300
Disposals		(1,119,245)
At 30 September 2019		2,472,806
Accumulated amortisation		
At 1 May 2018		(1,013,802)
Amortisation charge		(433,235)
Eliminated on disposals		1,119,245
At 30 September 2019		(326,792)
Net book value		
At 30 September 2019		2,146,014
At 30 April 2018		1,864,949

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.19	30.4.18
	£	£
Trade receivables	1,004,447	115,205
Prepayments and other debtors	149,935	216,757
R&D tax credit	-	141,346
Accrued Income	<u>415,950</u>	<u>329,449</u>
	<u>1,570,332</u>	<u>802,757</u>

13. DEBTORS: AMOUNTS FALLING DUE AFTER ONE YEAR

Amounts owed by group undertakings	<u>2,543,300</u>	<u>-</u>
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The intercompany loan agreement is for 5 years ending 30 September 2024. The agreement states that the borrower shall repay the unpaid balance to the lender in full on the repayment date.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.19	30.4.18
	£	£
Trade creditors	76,335	102,482
Corporation tax	511,198	-
Social security and other taxes	38,539	34,920
VAT	173,504	110,215
Deferred Tax (note 16)	260,954	182,048
Accruals and deferred income	<u>162,408</u>	<u>107,325</u>
	<u>1,222,938</u>	<u>536,991</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.9.19	30.4.18
	£	£
Within one year	36,405	24,207
Between one and five years	<u>145,620</u>	<u>-</u>
	<u>182,025</u>	<u>24,207</u>

Operating lease payments represent rentals payable by the company for its place of business office property.

Evolve Analytics Limited (REGISTERED NUMBER 02950904)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period Ended 30 September 2019**

16. DEFERRED TAX

	30.9.18
	£
Balance at 1 May 2018	182,048
Provide during period	<u>78,906</u>
 Balance at 30 September 2019	 <u><u>260,954</u></u>

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The deferred tax relates to intangible assets.

17. CALLED UP SHARE CAPITAL

Allotted and issued:

Number: Class

	Nominal value:	30.9.19	30.4.18
	£1	£	£
1,224 Share capital 1		<u>1,224</u>	<u>1,224</u>

18. ULTIMATE PARENT COMPANY

The ultimate parent company is Gentrack Group Limited, a company registered at 17 Hargreaves Street, St Marys Bay, Auckland, 1011, New Zealand, by virtue of its majority shareholding in the intermediate parent Gentrack Holdings (UK) Limited, a company incorporated in England and Wales.

19. SUBSEQUENT EVENT

Evolve Analytics Limited is no longer trading effective from 1 October 2019, all trading assets and liabilities has been moved to Gentrack UK Limited.