THRUVISION
PEOPLE-SCREENING

Annual Report and Accounts 2020

Overview

Strategic report

Governance

Financial statements

Other information

Highlights

- Good revenue growth to £8.0 million (2019: £6.0 million) with operating loss before tax reduced to £1.7 million (2019: £2.1 million);
- Adjusted loss before tax* of £1.2 million (2019: £1.7 million);
- Ten new customers in the year accounting for 55% of units sold and including US Customs, British Government and Morrisons, along with repeat orders from four existing customers;
- Notable uptake of new product variants which has led to increased average revenue per unit and gross profit margins;
- COVID-19 pandemic is changing the security industry landscape by prioritising the need for 'safe distance' security screening technology like Thruvision;
- Cash at 31 March 2020 of £8.4 million† (31 March 2019: £9.4 million).

* Adjusted loss before tax is defined as loss before tax from continuing operations, adding back share-based payments and share buyback costs.

† On 19 March 2020 Thruvision Group plc entered into a trade with Investec to sell $4.4m USD at the available spot rate. IFRS 9 requires the gain to be recorded within Current Assets and as such the difference in value between the prevailing year end USD/GBP exchange rate and the value of the contract is not recorded with the Group's cash and cash equivalents. The gain was £0.2m realised and reported in April 2020 as a result.

Chairman's statement

The Group achieved good growth in the year with revenues up by 34% to £8.0m. This was achieved by ten new customers taking delivery of their first units combined with existing customers expanding their Thruvision unit count. Although entirely new customers are vital to any growth business, the latter group is particularly pleasing as it provides solid evidence of our technology's effectiveness. While revenue growth was marginally behind our initial expectations, due to the start of the COVID-19 impact in March, good progress was made in the eleven months prior to that. This, together with the quality of our current sales pipeline, suggests that we remain well on track to become a mainstream supplier of people screening security technology to the international market.

Trading, Markets and COVID-19

Before the COVID-19 crisis struck, it was already becoming evident that our greatest opportunities lie in the Customs, Profit Protection and most recently Aviation markets, where regulatory demands and return-on-investment underpin the business case to purchase Thruvision's products. In the Customs market, we added US Customs and Border Protection (CBP) and Macau Customs as new customers, and saw follow on awards from US State Department's Bureau of International Narcotics and Law Enforcement (INL), and Hong Kong Customs. In Profit Protection, Morrisons selected Thruvision to underpin its distribution centre security upgrade programme across the UK, and we secured orders from two further new customers, including our first in North America. On the strength of this progress, we are investing in launching our Profit Protection offering into certain countries in mainland Europe.

In Aviation we continued to make good progress with the US Transportation Security Administration's (TSA's) testing and trials programme to obtain the necessary approvals to operate in the highly regulated passenger screening market. Our newly developed AI-based detection algorithm, developed to meet US legal requirements, is performing well and, since period end, La Guardia Airport has purchased Thruvision units using this new capability for screening employees in its flagship new terminal.

The COVID-19 crisis caused inevitable delays in orderflow in the last month of the period but, more significantly, it has had a profound impact on our industry landscape, which is likely to drive long-term positive effects for the Group. Legacy security solutions, such as walk-through metal detectors and traditional airport body scanners, often require close-proximity physical searches to resolve alarms. It is now clear that the security industry cannot continue with such searches, and many organisations are therefore reviewing how they can safely maintain security in the future. Since Thruvision operates at a physically distant range of several metres and obviates the need for physical searches, our 'safe distance' security technology is attracting considerable new interest.

We previously reported that we were developing several new product variants. We have been very pleased with the uptake which increased our average revenue per unit and gross margins. Although this interest has been across our whole customer base, we were particularly pleased to receive our first development order for the Group's new higher performance 16-channel sensor from a global technology firm seeking to improve data centre security, a new and developing market segment for us.

Through the COVID-19 lockdown period in both the UK and US, we have been able to maintain both sales and manufacturing operations, albeit at reduced levels, while prioritising the health and wellbeing of our staff. Based on the most recent UK Government guidance, we are now increasing activity levels again and I would like to thank our staff for their dedication and commitment through this difficult period. Our headcount has now reached 37 and we are continuing to invest further in sales staff in North America, the UK and Europe.

The Board is acutely aware that, as I cannot be regarded as independent due to my long association with Thruvision, we have only one Independent Director and the Board has started discussing the timing of adding another Independent Director. In the meantime, we have a full-time Company Secretary and continue to operate to very high levels of governance for a business of our size.

Outlook

Although the COVID-19 crisis caused a slowdown in sales in March, we have maintained good levels of engagement with customers throughout. In fact, our 'safe distance' people screening capability, which removes the need for physical searches, has given additional impetus to a number of sales opportunities where we were already well placed. We successfully maintained operations through the lockdown, and our supply chain remains solidly intact. Given the evolving nature of COVID-19, it remains too early to provide guidance on the Group's prospects for the financial year ending 31 March 2021. However, given our healthy cash balance, zero debt and strengthening sales pipeline based on an increased need for 'safe distance' security post COVID-19, we remain confident about our strategic prospects.

Update on strategy

Thruvision addresses the growing international need to safely, quickly and comprehensively security screen individuals for weapons, contraband or other illicit non-metallic items that might be concealed in their clothing. The two most widely deployed existing technologies, walk-through metal detectors and airport body scanners do not meet this need. Critically, both these technologies require close proximity, physical search to resolve alarms, and the COVID-19 pandemic is forcing security users globally to re-evaluate the safety implications of this.

Thruvision comprehensively solves this problem. By allowing a security guard to see concealed items of any material, as small as 3cm by 3cm, and from a safe distance of 3 metres, Thruvision completely removes the need for physical search. This combination of safe distance, contactless operation with reliable, comprehensive detection is unique to Thruvision.

With a growing list of internationally recognised 'flagship' government and commercial customers now in place, we have transitioned our technology from an early stage niche into the mainstream international security market. With this transition, we have refined our focus onto the three key markets where purchasing of people security screening technology is either driven by regulation, or commercial return on investment. These are:

- **Customs** – now a well-established market for Thruvision where we are screening for predominantly non-metallic, prohibited items such as cash and drugs, at all types of border checkpoints including airports, land crossings, seaports, cruise-liner terminals, bridges and railway stations. Customers are national government agencies resulting in total order quantities that could be substantial although sales cycles are extended by government procurement procedures. Key customers here now include US Customs and Border Protection (CBP), Hong Kong Customs, Macau Customs and the US State Department's Bureau of International Narcotics and Law Enforcement (INL).
- **Profit Protection** – another well-established market (previously referred to as Loss Prevention) where we are screening again for largely non-metallic items being stolen by employees from retail distribution centres. The market consists of a potentially very large number of retailers covering a number of sub-sectors including grocery, fashion, electronics, healthcare, and supporting third-party logistics. With a clear financial return on investment driving purchasing, relatively short sales cycles have been demonstrated. Flagship customers include Morrisons, Next, JD Sports, Matalan, Sony and Hermes.
- **Aviation** – this has become a new key market in the last year where we are screening people for prohibited items in the regulated environment at airport security checkpoints. Today we have TSA approval for screening employees at airports in the US, with Los Angeles, Seattle and LaGuardia Airports all now customers. We are also steadily working through the necessary TSA approvals for Thruvision to be also used for passenger screening in the US which should then also open the international aviation security market to us. The COVID-19 crisis has injected urgency into identifying and deploying 'contactless' security technology into airports globally which is helping us make more rapid progress in this area than would otherwise be the case.

With this refinement of focus we are now optimising our product range to meet the specific needs of each of these markets, and we are investing in strengthening our sales and marketing teams in these areas.

We continue to operate in and receive interest from two further markets, characterised by weapons detection and counter-terrorism, where the nature and likelihood of the threat generally leads to longer new customer purchasing cycles. These markets are:

- **Surface Transport** – this is where we are screening for suicide vests and automatic weapons at railways, subways and airport concourses. Customers in this segment include governments and a combination of city or regional public sector organisations. We have TSA approval for this kind of high-throughput 'detection at range' requirement and key customers include Los Angeles Metro and the Philippines Government.
- **Entrance Protection** – this is where we are screening for weapons at entrances to high profile or high security buildings, sports and entertainment venues and other public areas. Covering both public and private sector sites, the aim here is to ensure sites are protected from non-metallic threat items and to speed up the process of screening visitors. A key customer here is the British Government's Brexit Negotiation Headquarters in central London.

We have ensured our product range continues to meet the needs of both these markets, but we have adopted a more reactive stance given the weaker market demand in these areas. We are seeing some pick up in interest due to COVID-19 and will re-evaluate this stance over the coming months as the fuller implications of living in a post-pandemic world become clearer.

Business Review

Sales

Although curtailed by the impact of the COVID-19 crisis in March, we still recorded good sales performance for the year, with a total of 114 units shipped (2019: 109). Importantly, this included ten new customers including ‘flagship’ organisations CBP, Morrisons and Los Angeles World Airports. These new customer sales accounted for 55% of units sold with the balance being purchased by existing customers. Customs was our strongest segment accounting for half of units sold and with Profit Protection and Surface Transport accounting for almost a quarter each.

Regional updates

- **Americas:** We continued to focus heavily on the Customs and Aviation segments and saw 54% of revenue in the period come from customers in the US. We secured headline orders from the State Department’s Bureau of International Narcotics and Law Enforcement (INL) and CBP, and since the year-end, LaGuardia Airport for employee screening. As a result of the COVID-19 crisis, we have seen added impetus in the aviation market where ‘safe distance’ security is clearly needed and where we expect to build on the good progress so far by obtaining the TSA approvals needed for passenger screening in airports. Separately, we received our first order from our Profit Protection sales partner and secured a contract from a global technology firm to develop a solution capable of reliably detecting data sticks to enhance data centre security.
- **UK and Europe:** Our primary regional focus has been building our Profit Protection business, and we continued to make good progress. We secured two new customers during the year, Sports Direct and Morrisons which rolled Thruvision out across all its distribution centres as part of a significant security upgrade programme. Separately, the British Government selected our technology to form the basis of new visitor-friending security for the Brexit Trade Negotiations Headquarters in central London.
- **Asia Pacific:** Here, we focused on the Customs and Surface Transport segments. We deployed a fifth batch of units with our Hong Kong customer and won a competitive tender to supply units to Macau Customs. We received a fourth order from our Philippines-based partner for Transportation security. Given the COVID-19 crisis, we decided to reduce our direct investment in expanding our footprint in the region. This resulted in the closure of our Sydney office and we will focus on managing our existing partner network from the UK for the foreseeable future.
- **Middle East and Africa:** Our dedicated sales investment in this region enjoyed a good year of pipeline building in all the major GCC states. With an emphasis on Customs and entrance security, we expect to see sales starting to come through as regional economies recover from the COVID-19 crisis.

Routes to market

Our routes to market vary depending on region and market sector. We operate directly with end customers in the US where we have built strong relationships across TSA, CBP, State Department and the Defense Department. We currently install and support Thruvision deployments in the US directly but are building out our partner set to provide a country-wide support infrastructure as our units are deployed operationally across the country.

For Profit Protection in the UK and Europe, we mostly sell directly to end-customers although we are starting to appoint Profit Protection-specific partners in mainland Europe where we believe interest levels are increasing. Similarly, we work through local partners in Asia Pacific and the Middle East, where we engage with end customers directly alongside our local partners. With international travel now severely restricted for the foreseeable future, we have further developed our video conference-based product demonstration and training capability to maintain momentum.

Manufacturing and support

Our manufacturing capability is now mature and, including our outsourced US facility, capable of producing the near- to medium-term volumes we are expecting. We have the infrastructure in place to take production levels higher than this if demand dictates and we remain confident of our ability to scale production as needed.

We have rolled out a more comprehensive support offering to key customers that offers a complete maintenance programme for an annual charge. This is proving to be especially important for US Government buyers, and is allowing us to build up recurring revenue. We are also starting to see a number of customers moving into an equipment refresh cycle for our older units, and we have also been able to offer a trade-in or upgrade path for these.

New product development

We have seen rapid market adoption of our Thruvision TAC8 product which we launched in the summer of 2018, after its approval by the TSA. As well as driving our average revenue per unit higher, it has also formed the basis our new product range including our LPC8, designed specifically for the profit protection market and our new aviation checkpoint camera, the CPC8 purchased by LaGuardia Airport.

As well as making significant improvements to our hardware, we completed our AI-based image processing software during the year. This forms the basis of our new automatic threat detection capability which is an important element of our CPC8 product.

Looking forward, we expect to further expand our product range in FY21 to include a new very high-throughput, multi-person entrance screening product.

Competition
As we move into the broader mainstream market, we are starting to compete more directly with airport body scanners in a number of areas with the aim of expanding our market share here in due course. We continue to see a handful of smaller, early stage technology companies in the market, focused principally on the entrance security market. None of these have yet entered any form of formal TSA testing and we do not believe any have yet reached a significant level of sales. We maintain a watching brief.

IP protection
We continue to invest in the research and development of the Thruvision product range and, where appropriate, suitable patent protection is put in place. During the year applications for two additional patents were submitted to the Patent Office and they are currently being assessed in accordance with the normal patent application process.

Staff
We increased headcount from 34 to 37 staff through the year. This increase was predominantly in Sales and Sales Support. Due to the significant global slowdown caused by the COVID-19 pandemic, we closed our Sydney operation at the end of the year but we expect to further strengthen our aviation and profit protection sales and marketing teams in FY21. Voluntary staff attrition was nil.

As a manufacturing business with recently upgraded production facilities, we have been able to implement, with minimal operational impact, new working practices that fully comply with the UK Government's latest guidelines on social distancing and related health and safety at work. We will continue to monitor this guidance, both in the UK and the US, to ensure that we continue to comply fully with best practice in this regard as it develops.

Financial Review

Summary
For the year ended 31 March 2020, Thruvision revenues grew by 34% to £8.0 million (2019: £6.0 million) which resulted in a reduced operating loss of £1.7 million (2019 loss: £2.1 million).

The Directors believe that adjusted loss before tax is currently an important measure of the performance of the business. The Group recorded an adjusted loss of £1.2 million (2019: £1.7 million). This was arrived at as follows:

Adjusted loss:

	2020 £'000	2019 £'000
Loss before tax from continuing operations	**(1,502)**	(2,060)
Share-based payment	**297**	207
Share buyback costs	**–**	119
Adjusted loss before tax for the year from continuing operations	**(1,205)**	(1,734)

Further details on the above are provided in note 4 on page 53.

New product sales of Thruvision units resulted in 114 units delivered in 2020 (2019: 109) at a unit gross margin of 48% (2019: 40%). This included ten new customers and repeat business with four others. The introduction of the higher priced new TSA-approved Thruvision TAC8 unit helped increase overall Gross Margin to 47% (2019: 39%). Unit sales increased by over 400% in our main target market of the US and the remainder were spread evenly across all regions, showing balanced growth. Average revenue per unit increased to £68k (2019: £54k) year-on-year as a result of being able to achieve higher pricing on existing models as the business became more established and starting to sell the new higher priced TAC8 models in the US.

A focus on the reduction of non-productive overheads, which continued to reduce as a percentage of revenue, generated savings that were used to partially offset our investment in the Sales and Marketing resource required to drive growth, and to expand our manufacturing capacity to deal with expected short to medium-term demand. Three employees joined the Group during the year to increase our sales and marketing capacity.

The cash balance at the year-end was £8.4 million (2019: £9.4 million) as a result of good control over cash collections from customers. We also completed a further major order to the Philippines in Q4 again this year resulting in a debtor over the period-end of £1.75 million. It is expected that this cash will be received by December 2020.

Key Performance Indicators ('KPIs')

We consider the following to be our KPIs which track the trading performance and position of the business.

KPIs

	2020 £'000	2019 £'000
Revenue	**8,002**	5,981
Number of units shipped	**114**	109
Average revenue per unit	**68**	54
Gross Profit	**3,760**	2,327
Gross Margin	**47%**	39%
Overheads	**(5,280)**	(4,277)
Operating loss	**(1,729)**	(2,108)
Number of employees at 31 March 2020	**37**	34

Revenue
Thruvision revenues grew by 34% to £8.0 million (2019: £6.0 million). Revenues from unit sales contributed £7.8 million (2019: £5.9 million), and development revenue was £0.2 million (2019: £0.1 million).

The growth in revenues over the prior year was based on an increase in the number of units delivered (noting March orderflow was reduced by COVID-19 lockdown) and an increase in average revenue per unit. The strategic progress made with various US Federal Government agencies is reflected in the strong revenue growth here, and we expect to see the US remain the primary focus moving forwards.

Revenue	2020 £'000	2019 £'000
Units	**7,765**	5,901
Development	**237**	80
Total	**8,002**	5,981

Revenue by Geography	2020 £'000	2019 £'000
UK and Europe	**1,234**	1,338
Americas	**4,311**	975
Asia-Pacific	**2,430**	3,640
Middle East and Africa	**27**	28
Total	**8,002**	5,981

Gross Profit
Gross Profit increased to £3.8 million in the period (2019: £2.3 million) with Gross Margin increasing to 47% (2019: 39%). The Gross Margin increase was due to a higher mix of the new TSA-approved TAC8 product sales, the consequent improvement in Average Revenue Per Unit, and by further manufacturing-cost reductions compared to the prior year. Product Gross Margin increased to 48% (2019: 40%) and was offset, in a minor way, by delivering the one customer-funded development project in the year at broadly break-even.

Gross Margin	2020 £'000	2019 £'000
Unit Revenue	**7,765**	5,901
Unit Gross Profit	**3,755**	2,337
Gross Margin %	***48%***	*40%*
Development Revenue	**237**	80
Development Gross Profit	**6**	(10)
Gross Margin %	***2%***	*(13)%*
Overall Revenue	**8,002**	5,981
Overall Gross Profit	**3,761**	2,327
Gross Margin %	**47%**	39%

Overheads
Overheads increased by 23% to £5.3 million (2019: £4.3 million) primarily due to a focus on sales and marketing investment. Overall however they reduced as a % of revenue and we continue to focus on closely managing our overhead base whilst growing the business.

Engineering (manufacturing and R&D) costs increased by £0.3 million where we focused on increasing production capacity and strengthening our software capability, particularly to enable the development of new AI-based threat-detection algorithms.

Sales and Marketing expenditure was increased by £0.5 million to invest in our strategically important US and Profit Protection markets. This additional investment was made to capitalise on our 'flagship' customer deployments in these regions and was used to increase direct marketing and provide enhanced pre-sales capability.

Property and administration costs increased due to the full year effect of recruitment in late FY19, while depreciation increased principally due to the effect of operating lease costs now being recognised as depreciation under IFRS 16 (amounting to £151k and not being comparable to last year) and manufacturing facility investments made late in FY19.

Plc costs decreased due to lower levels of legal and professional costs incurred in year.

Overheads	2020 £'000	2019 £'000
Engineering	**1,510**	1,268
Sales and Marketing	**1,557**	1,100
Property and administration	**492**	432
Management	**738**	701
Plc costs	**533**	595
Depreciation and amortisation	**450**	181
Total Overheads	**5,280**	4,277
LTIP	**297**	207
Share buyback costs	**–**	119
Foreign exchange (gains)	**(88)**	(163)
Total Administration costs	**5,489**	4,440

Looking forward, we expect to see further investment, principally in Sales & Marketing, but at a rate below the headline growth rate of the business. We do not expect to materially increase management and administration or Plc costs in the near-term.

Operating loss
Operating Loss from operations before tax including depreciation, share-based payments, Foreign exchange ('FX') and interest improved to £1.7 million (2019 loss: £2.1 million).

Discontinued profit/loss
Additional deferred consideration, in excess of expectations last year, were received in the year totalling £265k.
Other discontinued costs relate to the closure of our Australian office as well as further minor professional advisor costs in relation to the discontinued part of the business.

Taxation
As a result of brought-forward tax losses we do not expect to pay the full rate of UK corporation tax in the next financial year. The Income Statement tax credit for the year of £223k (2019: £23k) relates to the expected R&D tax credit reclaim, with the increase this year primarily due to a prudent assessment last year on the expected R&D credit receivable.

At 31 March 2020, the Group had unutilised tax losses carried forward of approximately £11.5 million (2019: £10.5 million). Given the varying degrees of uncertainty as to the timescale of utilisation of these losses, the Group has not recognised £11.5 million (2019: £10.8 million) of potential deferred tax assets associated with these losses. At 31 March 2020, the Group's net deferred tax liability stood at £nil (2019: £nil).

Cash
The Group cash and cash equivalents at 31 March 2020 were £8.4 million (2019: £9.4 million).

On 19 March 2020 Thruvision Group plc entered into a trade with Investec to sell $4.4m USD at the available spot rate on the day of 1.1735. As the Company was not able to transact the swap on the day due to the cash being in a 31-day savings account a forward contract was taken out. This meant the Company was able to fix the overall $4.4m balance at a favourable fixed rate in GBP cash, which was completed on 22 April 2020.

IFRS 9 requires this balance to be recorded as a Derivative financial instrument and as such the difference in value between the prevailing year end USD/GBP exchange rate of 1.24 and the value of the contract is not recorded with the Group's cash and cash equivalents. The Company had initially recorded this deal as a cash equivalent of £0.2m and included as cash in the Groups RNS of 4 April 2020. Subsequently this was presented separately as a Derivative financial instrument.

On 22 April 2020 the contract with Investec was completed and Thruvision Group plc recorded a £0.2m increase in its cash balances on that date.

The overall cash outflow of £1.0 million for the year ended 31 March 2020 was in line with the operating loss of the business, as good working capital management ensured that the growth in revenue had minimal impact on cash reserves being tied up in working capital. Stock value at 31 March 2020 was £3.7 million (2019: £3.3 million) which was somewhat higher than planned and in part due to a delay in several orders closing in March as a result of the COVID-19 pandemic.

Currency Impact
The Group generated foreign currency exchange gains during the period of £0.3 million (2019: £0.2 million), principally due to the above FX forward transaction converting excess USD into GBP shortly before the year end generating a gain of £0.2 million. These gains are split within the Income Statement between Administration costs and Finance Income.

Principal risks and uncertainties

The Directors believe the following risks to be the most significant for the Group. However, the risks listed do not necessarily comprise all those associated with the Group. In particular, the Group's performance may be affected by changes in market, political or economic conditions and in legal, regulatory and tax requirements.

If any of the following risks were to materialise, the Group's business, financial condition, results or future operations could be materially adversely affected. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial may also have an adverse effect upon the Group.

Risks relating to the Group's business

COVID-19
Like most businesses, the Group has already been impacted by the COVID-19 crisis and, as of 25 May 2020, the Group was operational again, albeit with a number of constraints in place. These include, at time of writing, an inability to travel internationally to meet partners, customers and potential customers, restricted movements within our production facility, and slower than pre-crisis response times from our suppliers. Taken together, these and other constraining factors we can control, plus the as yet unknown effect the pandemic will have on the global economy, present the Group with significant uncertainty on trading for the foreseeable future. Against that uncertainty, Thruvision does provide 'safe distance' security and we have seen an increase in enquiries based on this in recent weeks as various potential customers turn their attention to COVID-19 recovery.

Mitigation
At this relatively early stage of COVID-19 recovery, the Group is using daily management team meetings to manage existing and new risks as they arise, and has put the following specific COVID-19 risk control measures in place:

- use video conference technology, including remote product demonstrations, to maintain international sales activity with trusted local partners and potential customers;
- closely monitor sales enquiry levels and subsequent sales and revenue forecasts;
- maintain levels of production in our main facility in the UK and work closely with key suppliers to understand lead times, supply risk and cash flows;
- limit all non-essential expenditure;
- model cash flows and debtors under a wide range of trading scenarios to ensure sufficient financial resources exist to maintain business operations for the foreseeable future.

Brexit
As the majority of our operations are based in the UK and the majority of components sourced are from UK companies, the Group is less exposed to potentially negative implications of Brexit than many other businesses. However, at time of writing, there is still limited clarity on the exact impact on UK-based businesses that trade internationally.

Mitigation
At this time, the Group is working with professional advisers to understand developments in trade negotiations in a number of specific areas where we believe the Group may be impacted, namely:

- import/export duties for finished goods and for the movement of demonstration equipment;
- supply chain;
- travel restrictions;
- foreign exchange movements.

International expansion
The Group's future success will depend in part on its ability to continue sell and expand its operations internationally. This will place significant demands on management, support functions, accounting, financial control, sales, marketing and other resources, all of which are made more difficult and prone to risk due to the likelihood of protracted COVID-19 travel restrictions.

Mitigation
The Group's Management Team has been expanded to include VP Americas and VP Profit Protection to increase visibility of operational activity, including sales, marketing, project delivery, cash collections, governance and compliance, across the US, UK, Europe and Asia. Management Team meetings are held monthly, as part of a formal reporting structure into the Board that ensures issues are identified early and remedial action taken where appropriate.

A robust recruitment process is in place for all Group employees ensuring that required skills are available to the Group to facilitate international sales and expansion.

An international sales operation, retaining directly employed sales management in key territories and targeting key geographies and partners, is in place to ensure that the major markets and customers are identified and addressed. The sales pipeline is monitored on a weekly basis in order that sales performance below expectation can be identified and actions taken quickly to rectify issues as they arise.

Dependence upon key intellectual property
The Group's success depends in part on its ability to protect its rights in its intellectual property. It may be possible for third parties to obtain and use the Group's intellectual property without the Group's authorisation and as such the Group may become involved in litigation which could be costly and time consuming.

Mitigation
The Group relies upon various intellectual property protections, including patents, copyright, trademarks, trade secrets and contractual provisions to preserve its intellectual property rights. A fundamental review, in conjunction with advisors, was undertaken in FY20 resulting in a process being implemented to enhance patent protection in key geographies to ensure the Group is adequately protected in the most appropriate manner at all times.

Competition
The Group has experienced, and expects to continue to experience, competition from a number of companies. This competition may take the form of new products and services that better meet industry needs and competitors who respond more quickly to client requirements. In addition, competitors may have greater financial or technical resources than the Group.

Mitigation
A careful watching brief is maintained on competitors to enable the Group to react quickly to any change in circumstance or technical developments. In addition, we work closely with our clients to ensure that we understand their requirements and market dynamics to ensure existing products are being developed and utilised in new and innovative ways to meet client needs and achieve differentiation.

Availability of capital and cash flow
In order to enable the Company to progress through further stages of development it may be desirable for the Company to raise additional capital and there can be no assurance that such funding, if required, will be available to the Company. The availability of long or short-term bank debt will depend on the Company's progress with stated strategy and trading prospects.

Mitigation
At 31 March 2020, cash of £8.4 million is available to the Group from its own resources. It is expected that the current cash available will be sufficient to fulfil the short to medium-term needs of the Group and that the Group is expected to become cash generative in the medium-term.

Key management and employees
The Group depends on the Directors and other senior managers with specific sector and industry knowledge, and in addition on the recruitment and retention of the services of its key technical, sales, marketing and management personnel. Competition for such personnel can be intense, and the Group cannot give assurances that it will be able to attract or retain such staff.

Mitigation
The Remuneration Committee annually reviews the appropriate remuneration structure and median market levels in respect of the Executive Directors and senior managers. It has also met recently to update the Company's remuneration policy to ensure it remains competitive and aligned with our objectives.

A robust recruitment process is in place for all Group employees ensuring that required skills are available to the Group. In addition, an internal performance review process has been established to ensure, as far as possible, that employees are motivated and that suitable remuneration structures are in place.

Manufacturing capability
The Group's manufacturing capability is based at its Oxfordshire facility and loss of this facility would cause a short-term impact on the ability to manufacture and hence deliver Thruvision units. In addition, should a significant increase in demand be experienced the Group would need to scale the manufacturing capability to meet this demand.

Mitigation
Where possible, subsystems are outsourced to third parties and a number of different manufacturing partners have been engaged. The Group continually reviews supply chain arising either from the loss of a key supplier or facility, or a significant increase in demand would not have a significant effect of the Group's ability to manufacture and deliver Thruvision products or meet market demand. The ability to manufacture ahead of planned levels was successfully tested in FY19 and reconfirmed for a period during FY20.

Delivery
The reputation of the Group depends on effective and timely delivery of its products and services to clients. Technology failure, supplier failure, a performance failure by a local country partner, availability of key components and/or failure to deliver promised services in a timely and efficient manner in accordance with the contract terms could have a significant impact on the reputation and hence future growth of the Group.

Mitigation
All potential orders are subject to risk assessment to ascertain delivery risk and technical complexity, available internal and external resource and delivery timescale. A project plan is formulated to ensure that, should an award be made, the Group is able to deliver in accordance with the contract terms.

Foreign business, political and economic risks
The successful penetration of overseas markets by the Group may take longer than the Directors currently expect.

The Group contracts and expects to contract with various entities from around the world including system integration partners, value added resellers and directly with overseas clients. As a result, the Group is exposed to foreign business, political and economic risks including managing customer and supplier relationships from outside of their jurisdiction, political and economic instability, less developed infrastructures, interest rate and currency instability, exposure to possible litigation in foreign jurisdictions, competition from foreign-based service providers and the existence of protectionist laws and business practices that favour such providers.

Mitigation
Prior to the acceptance of an overseas contract, a detailed review, in accordance with the delegated authority schedule is undertaken to ensure the risks are identified and mitigated where possible. It is anticipated that the proportion of the Group's business contracted in currencies other than Sterling will increase, making consolidated results and net assets more subject to exchange rate fluctuations. Translation movements are not formally hedged but the Group's policy intends to naturally hedge material transactions in foreign currencies.

Government spending
A significant portion of the Group's revenues are generated from international central government agencies.
Continued pressures on Government spending within certain territories may materially and adversely affect the Group's business, operating results or financial condition. In addition, the long and protracted sales cycles of some governments could adversely impact forecast sales in any given period.

Mitigation
It is the strategy of the Group to widen the client base, on a global basis, to diversify Group revenue whilst maintaining appropriate relationships with central government both within the UK and in other territories.

Claims by third parties
While the Directors believe that the Group's products and other intellectual property do not infringe upon the proprietary rights of third parties, there can be no assurance that the Group will not receive infringement claims from third parties which could be both costly and time consuming.

Mitigation
Where appropriate the Group will confirm the validity of its intellectual property via patent and trademark searches and will robustly defend such claims if appropriate.

System failures and breaches of security
The successful operation of the Group's business depends upon maintaining the integrity of the Group's computer, communication and information technology systems which are vulnerable to damage, breakdown or interruption from events which are beyond the Group's control.

Mitigation
All systems are backed up on a regular basis and appropriate investment is made in the infrastructure of systems within the Group to maintain appropriate standards of integrity and security.

Conclusion
The Group has delivered a robust performance in the year with good revenue growth and a solid new and repeat customer base. The Group is managing the impact of COVID-19 on its business and the uncertainty that this might bring and we feel we are well placed in a market which will increasingly demand stand off screening and security as a result. Following analysis and consideration of even an extreme worst-case scenario, the Directors believe that the Group has sufficient resources to continue in operational existence for the foreseeable future. The Directors therefore conclude that the Going Concern basis remains the appropriate basis upon which to prepare the Group's financial statements.

The Strategic Report on pages 2 to 9 has been approved by the Board on 5 June 2020 and signed on its behalf by:

Colin Evans
Chief Executive

Adrian Crockett
Finance Director

Directors' biographies

Tom Black, (60) Executive Chairman

Tom was appointed a Director on 8 February 2010 and is the Executive Chairman of Thruvision Group plc. Prior to joining the Company, Tom spent over 20 years with Detica Group plc, where he led the management buyout in 1997 and the Group's flotation on the London Stock Exchange in April 2002. He then oversaw the acquisition of Detica by BAE Systems in 2008. He is currently a Non-Executive Director of Herald Investment Trust plc and a Trustee of the Black Family Charitable Trust. Tom is a member of the Remuneration, Nomination and Audit Committees of Thruvision Group plc.

Paul Taylor, (55) Non-Executive Director

Paul was appointed a Non-Executive Director on 1 April 2012. He is a qualified Certified Accountant who started his career at Price Bailey Partners in 1986 and has subsequently served in a number of senior finance roles. Paul has spent most of his career at AVEVA Group plc and served as Group Finance Director from March 2001 to December 2010. During this period, revenues increased from £28 million to £164 million, resulting in pre-tax profit of £63 million and a market capitalisation of over £1 billion. He is currently Non-Executive Chairman and Chairman of the Audit Committee of IQGEO Group plc and a Trustee of the CAD Centre Pension Fund. Paul is Chairman of the Audit Remuneration and Nomination Committees of Thruvision Group plc.

Colin Evans, (52) Chief Executive Officer

Colin was appointed a Director on 8 February 2010 and was appointed Chief Executive of Thruvision Group plc on 1 November 2017 having previously served in a number of senior management positions. He is responsible for all aspects of the business and draws upon his 23 years' experience delivering innovative new technology to the international security industry and, in particular, to the US Federal Government. Prior to joining Thruvision, Colin spent 15 years with Detica Group plc, where he was Group Chief Operating Officer. He is currently a Non-Executive Director at 6point6 Limited.

Adrian Crockett, (52) Finance Director

Adrian was appointed a director on 1st May 2019. Prior to joining Thruvision, he was CFO at Venture Life, an AIM listed consumer healthcare company. Before this he held senior financial management roles at Abbott Diabetes Care Ltd, a division of the US Healthcare company, Abbott, GSK, Novartis and Chiron corporation (prior to acquisition by Novartis), and Powderject pharmaceuticals (prior to acquisition by Chiron). Adrian has a BA honours degree in accountancy from The University of Dundee and is a Chartered Management Accountant.

John Woollhead, (59) Company Secretary

John was appointed Company Secretary on 13 April 2010 and is responsible for not only the core Governance and Company Secretarial function within the Group but also manages the HR, Insurance, property and a number of other functions. John qualified as a Chartered Secretary in 1987 and has previously acted as Company Secretary to Eve Group plc, Peterhouse Group plc and Detica Group plc. John is Secretary to the Board and acts as Secretary to the Board Committees.

Directors' report

The Directors of Thruvision Group plc (the 'Company') present the Annual Report to Shareholders together with the audited financial statements of the Company and its subsidiaries for the year ended 31 March 2020.

The purpose of the Annual Report is to provide information to members of the Company. The Company, its Directors, employees, agents and advisors do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed. It contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results to differ from those currently anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report and except to the extent required by applicable regulations or by law, the Group undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report should be construed as a profit forecast or guarantee of future results.

The Company is committed to appropriate standards of corporate governance as an efficient and effective approach to managing the Company and its subsidiaries.

The Company is not required to comply with the 2018 UK Corporate Governance Code (the 'Code') given the Company is listed on the AIM market of the London Stock Exchange. However, the Directors have agreed to adopt many of the principles contained in the Code. The Company formally reports against the QCA code on Corporate Governance and details are available on the Company website.

Principal activities

The principal activities of the Group are currently the development, manufacture and sale of passive people-screening technology to the global security market. Further information can be found within the Business review Section on pages 4 to 5.

Going concern

The Group and Company's business activities, together with factors likely to affect future development, performance and position are set out in the Strategic Report incorporating the Chairman's statement on page 2, the update on strategy on page 3, the Business review on pages 4 and 5 and the review of principal risks and uncertainties on pages 7 to 9. The financial position, cash flows and liquidity position are described in the Financial review on pages 5 to 7. In addition, Note 18 of the financial statements include the Group and Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group's net loss for the year was £1.1 million (2019: £2.3 million). As at 31 March 2020, the Group had net current assets of £12.3 million (2019: £13.3 million) and net cash reserves of £8.4 million (2019: £9.4 million).

The Board has reviewed the cash flow forecasts for the period up to and including 30 September 2021. These forecasts and projections take into account reasonably possible changes in trading performance, including a pessimistic set of assumptions in respect of the impact of Covid-19 on the business, and show that the Group will be able to operate within the level of current funding resources. The Directors therefore believe there is sufficient cash available to the Group to manage through these requirements.

As with all businesses, there are particular times of the year where our working capital requirements are at their peak. However, the Group is well placed to manage business risk effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed.

The Directors therefore are satisfied that the Group has adequate resources to continue operating for a period of at least 12 months from the approval of these financial statements.

Given the above, the Board confirms that it has a reasonable expectation that the Group will continue as a going concern. Therefore, these financial statements have been prepared on this basis and do not contain any adjustments that would result if the Group were unable to continue as a going concern.

Group results

The Group's Consolidated income statement set out on page 37 shows a loss before tax from continuing operations for the year of £1.5 million (2019: £2.1 million), and a loss for the year of £1.1 million (2019: £2.3 million). Details are given in the Financial Review on page 5.

Dividends

The Directors are not recommending a dividend in respect of the year ended 31 March 2020 (2019: £nil).

Governance

Thruvision Group plc is committed to maintaining high standards of corporate governance. The Group is not bound by the provisions of the Code, given it is listed on AIM. However, the Board endeavours, so far as is practicable, to comply with many of the principles of the Code. During the year under review, the Board has maintained the internal controls and processes to ensure as far as possible compliance with the Code.

Following the disposal of the Video Business in October 2017 the Board has only one Independent Non-Executive Director. This is not in accordance with the Code or the Quoted Companies Alliance Corporate Governance code applicable to smaller businesses. However, due to the nature and complexity of the business and its current stage of development and the fact that an experienced and qualified Company Secretary is retained to ensure appropriate governance arrangements, the Board has satisfied itself that it has the right balance of Board membership at this time. It is anticipated that the composition of the Board will be reviewed again later in 2020.

Further explanation of the high-level corporate governance principles is given in the Corporate governance Section of this report on pages 17 to 24 and in connection with Directors' remuneration in the relevant Section of the Remuneration report on pages 25 to 30.

It is the responsibility of the Board to prepare the annual report and accounts. The Board considers that the annual report and accounts, when taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

Share capital

The issued Share capital of the Company, together with details of movements in the Company's issued Share capital during the financial period, are shown in Note 16 to the financial statements. As at the date of this report, 145,454,118 Ordinary Shares of 1 pence each ('Ordinary Shares') were in issue and fully paid with an aggregate nominal value of £1,454,541.

At the Annual General Meeting held on 23 September 2019 a resolution was passed authorising the Directors to buy back 163,124 Deferred shares of £1 each. On 23 September 2019 the Company executed the agreement to buy back the Deferred shares for a total consideration of £3. The buy back completed on 23 September 2019 and subsequently 163,124 Deferred shares were cancelled on 25 September 2019.

Accordingly, at 31 March 2020 there were no Deferred shares in issue (2019; 163,124).

On 28 August 2013, the Company was granted a Blocklisting authority over 600,000 Ordinary 1 pence Shares in order to satisfy awards that have vested and are capable of exercise under the Long-term Incentive Plan. From 28 August 2013 to the date of this report, 70,500 Shares have been issued from the Blocklisting facility. Accordingly, at 31 March 2020, 529,500 (2019: 529,500) Shares remain outstanding to be issued from the Blocklisting facility.

The holders of Ordinary Shares are entitled to receive the Company's reports and accounts; to attend and speak at general meetings of the Company; to appoint proxies; and to exercise voting rights. To be effective, electronic and paper proxy appointments and voting instructions must be received at the Company's registered office, or such other place in the UK specified in the relevant notice of meeting, not later than 48 hours before a general meeting. Subject to applicable statutes, there are no restrictions on transfer or limitations on the holding of Ordinary Shares and no requirements for prior approval of any transfers other than:

- certain restrictions may from time to time be imposed by laws and regulations (for example insider trading laws); and
- pursuant to the Company's Share dealing code whereby the Directors and certain senior employees of the Company require approval to deal in the Company's Shares.

None of the Shares carry any special rights with regard to control of the Company. There are no known arrangements under which financial rights are held by a person other than the holder of the Shares and no known agreements on restrictions on Share transfers or on voting rights.

The Company established an Employee Benefit Trust ('EBT') in 2010, which in certain circumstances holds Shares in connection with the Group's employee Share incentive plans. As the registered holder, the voting rights in the Shares are exercisable by the trustee. However, the trustee does not ordinarily exercise those rights. At 31 March 2020, the EBT did not hold any Shares in the Company.

The Articles may only be amended by a special resolution at a general meeting of Shareholders.

The Company does not have agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a change of control. Further details of the Directors' service contracts can be found in the Remuneration report on page 28.

The provisions of the Company's LTIP may cause options and awards granted to employees under such schemes and plans to vest on a change of control.

Issue of Shares

At the general meeting held on 23 September 2019, Shareholders granted authority to the Board under the Articles and Section 551 of the Companies Act 2006 (the 'Act') to exercise all powers of the Company to allot relevant securities up to an aggregate nominal amount of £484,847.

It is proposed at the forthcoming Annual General Meeting (AGM) to renew the authority to allot relevant securities up to an aggregate nominal amount of £484,847, being one third of the nominal value of the current issued Share capital.

Also, at the general meeting held on 23 September 2019, Shareholders granted authority to the Board under the Articles and Section 570(1) of the Act to exercise all powers of the Company to allot equity securities wholly for cash in certain circumstances, including in connection with a rights issue or otherwise up to an aggregate nominal amount of £72,727 for general purposes and an additional £72,727 in connection with an acquisition or specified capital investment, without application of the statutory pre-emption rights contained in Section 561(1) of the Act.

It is proposed at the forthcoming AGM to renew the authority to allot relevant securities wholly for cash, including in connection with a rights issue or otherwise, up to an aggregate nominal amount of £72,727, being 5% of the current nominal value of the issued Ordinary Share capital, for general purposes and an additional 72,727 being 5% of the current nominal value of the issued Ordinary Share capital, to be used in connection with an acquisition or specified capital investment, in each case without application of the statutory pre-emption rights.

Purchase of own Shares

At the Annual General Meeting held on 23 September 2019, Shareholders granted authority for the Company to make market purchases of up to 21,803,572 of its own Shares provided that the maximum price (excluding expenses) which may be paid for an Ordinary Share is an amount equal to 110% of the average of the middle market quotations for an Ordinary Share derived from the AIM appendix of the Daily Official List of the Exchange for the five business days immediately prior to the day on which the Share is contracted to be purchased and the minimum price is 1 pence exclusive of attributable expenses payable by the Company.

It is proposed to renew the above authority at the Annual General Meeting to be held on 22 September 2020 retaining the provision that the maximum price (excluding expenses) that may be paid for an Ordinary Share up to an amount equal to 110% of the average of the middle market quotations for an Ordinary Share derived from the AIM appendix of the Daily Official List of the Exchange for the five business days immediately prior to the day on which the Share is contracted to be purchased. Accordingly, the required resolution is set out in the notice of meeting on page 78 of this report.

Significant agreements – change of control

A change of control of the Company following a takeover bid may cause a number of agreements to which the Company or its subsidiaries are party to take effect, alter or terminate. These include client contracts, leases, supplier contracts and provisions relating to the LTIP. No other individual contract is considered to be significant in terms of its potential impact on the business of the Group as a whole.

Substantial Shareholdings

As at 5 June 2020, the Company was aware of the following Shareholdings representing 3% or more in the Company's existing issued Ordinary Share capital.

	No. of Shares	Percentage of issued Share capital
Canaccord Wealth Management	28,441,450	19.55
Schroder Investment Management	28,390,040	19.52
Herald Investment Management	15,329,712	10.54
Lombard Odier Asset Management	14,842,022	10.20
Tom Black	11,349,444	7.80
Janus Henderson Investors	10,059,507	6.92
Invesco Perpetual Investment Management	8,629,044	5.93

Directors

The names and biographical details of the current Directors of the Company are given on page 10. Paul Taylor is considered to be an independent Non-Executive Director.

Tom Black and Colin Evans were appointed Directors on 8 February 2010, prior to the IPO. Adrian Crockett was appointed a Director on 1 May 2019 and Paul Taylor on 1 April 2012.

Tom Black was Executive Chairman in the period 1 April 2018 to 31 March 2020 and to the date of this report.

Colin Evans is the Chief Executive Officer of the Group.

Adrian Crockett was appointed to the Board on 1 May 2019 as Finance Director.

Ian Lindsay resigned from the Board on 1 May 2019 and left the Company on 24 May 2019.

The rules on appointment, re-appointment and retirement by rotation of Directors are contained in the Articles. A Director may be appointed by Shareholders' Ordinary resolution or by the Board. The current Articles require that all Directors are subject to election at the first AGM following appointment and thereafter to re-election at least every three years. However, in line with governance best practice, all Directors are submitting themselves for re-election at the forthcoming AGM. A review of Director performance was undertaken in April 2020.

Directors' interests

Details of the interests in the Shares of the Company of the Directors holding office as at the date of this report, and their immediate families, appear in the Remuneration report on page 30.

Details of the Directors' service contracts and letters of appointment appear in the Remuneration report on page 28.

No Director had a material interest in any significant contract with the Company or any of its subsidiaries during the year. Procedures for dealing with Directors' conflicts of interest are in place and are operating effectively.

Directors' and Officers' indemnities and insurance

The Company maintains liability insurance for its Directors and Officers. The Directors and Officers have also been granted a qualifying third-party indemnity provision under the Act. That indemnity provision has been in force throughout the year and remains in force at the date of this report.

Research and development

The Group is active in the development of software and hardware in respect of people screening technologies and intends to remain so involved in the future. In the year under review, expenditure totalling £0.5 million (2019: £0.4 million) related to development of such technologies.

Employees

At 31 March 2020, the Group employed 32 people in the UK and 5 in the US, and depends on the skills and commitment of its employees in order to achieve its objectives. Personnel at every level are encouraged to make their fullest possible contribution to the success of Thruvision.

Employees are kept regularly informed on matters affecting them and on issues affecting the Group's performance primarily through office briefings, all staff video calls, email updates and one to one meetings.

The Group introduced its existing Long-Term Incentive Plan ('LTIP) for certain employees in 2010. The LTIP is timetabled to terminate on 20 June 2020. A resolution will be put to the AGM to update the LTIP and extend its life for a further period of 10 years.
Full details are given in the Remuneration report on page 27 and in the notes to the Notice of Annual General Meeting on page 78.

Most employees participate in the LTIP via Share Option awards made on joining the Company and on a discretionary basis thereafter. In addition, the Group operates a Sharesave SAYE Share Option Scheme in which all UK based employees are able to participate. The scheme is normally launched annually after the announcement of full year results.

The Board is committed to ensuring that a culture free from discrimination and harassment remains embedded within the Group and discrimination of any sort is not tolerated. Proper consideration is given to applications for employment from disabled people who are employed whenever suitable vacancies arise. Wherever practicable, staff who become disabled during employment are retained. The Group practices equality of opportunity for all employees, irrespective of ethnic origin, religion, political opinion, gender, marital status, disability, age or sexual orientation.

Pensions

The Group does not operate any defined benefit pension funds. A defined contribution scheme, in accordance with the auto enrolment regulations, is in operation for all UK-based employees unless an individual employee has waived their rights under the legislation. With effect from 1 April 2019 employee pension contributions have been made via a salary sacrifice scheme.

Corporate and social responsibility

The Board recognises the importance of relationships with the wider community and its obligations to employees, Shareholders, customers, suppliers, the local community and others. Given the size, structure and on-going development of the Group a formal Group policy has yet to be implemented.

Through procedures and policies that are currently in place, Thruvision aims to:

- meet all legislative requirements in respect of environmental issues;
- seek to conserve energy and natural resources by minimising waste, recycling where possible and maximising the use of renewable resources;
- adopt the highest standards of business ethics, including anti-corruption compliance and respect for human rights in all our dealings; and
- ensure all contractors follow its practices whilst working on its sites and respond promptly and efficiently to adverse occurrences.

Environmental

The Board believes that the environmental impact of the Group's operations is low and consists mainly of building occupancy, business travel, including a small number of company vehicles, and IT.

Through procedures that are currently in place, Thruvision aims to:

- use video and audio-conferencing facilities where possible to reduce travel requirements;
- use electronic communications to reduce the amount of printing waste produced;
- recycle waste where possible; and
- purchase paper and other products that are manufactured from recycled products.

Health and safety

The Group aims to provide and maintain a safe environment for all employees, customers and visitors to its premises and to comply with relevant health and safety legislation. Day-to-day health and safety management is delegated to operational managers with oversight from the Company Secretary. External advice is utilised as appropriate and satisfactory external audits have recently been undertaken.

Financial instruments

The Group's financial risk management objectives and policies are discussed in the Financial review on pages 5 to 7 and in Note 18 of the financial statements.

Post balance sheet events
No reportable events have occurred from 31 March 2020 to the date of this report.

Political donations

No political donations were made during the year (2019: £nil).

Strategic Report

The Group is required by the Companies Act 2006 to set out the development and performance of the business of the Group during the financial year ended 31 March 2020 and of the position of the Group at the end of the year and a description of the principal risks and uncertainties facing the Group and Group's policy regarding equal opportunities and employing disabled people. The information concerning the Strategic Report can be found on pages 2 to 9.

Disclosure of information to the auditor

So far as each Director in office at the date of approval of this report is aware, there is no relevant audit information of which the Company’s external auditor (Grant Thornton UK LLP) is unaware.

Each of the Directors has taken all steps that they ought to have taken in performing their roles as Directors to exercise due care, skill and diligence in order to make themselves aware (i) of any relevant audit information and (ii) to establish that the Company’s external auditor is aware of such information.

For the purposes of this statement on disclosure of information to the external auditor, ‘relevant audit information’ is the information needed by the Company’s external auditor in connection with the preparation of its report on pages 32 to 36.

Annual General Meeting

The Annual General Meeting (the ’AGM’) will be held at 121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA on Tuesday, 22 September at 10.00 a.m. The notice convening the AGM (the ’Notice of AGM’) is set out on pages 78 and 79 of this report together with details of the business to be considered and explanatory notes relating to each of the resolutions being proposed.

Covid-19
The Company considers it vital to engage with investors and other stakeholders through the most appropriate channels. Shareholders’ views are important, and we want to ensure that they are given as much information as possible in good time to enable them to participate in the decision-making process.

The UK Government’s Measures (‘Measures’) in force at the time of issue of this notice prohibit indoor public gatherings of more than two people.

Consequently, in order to ensure the safety of the attendees and allow the business of the meeting to be transacted, attendance by shareholders and proxies at the AGM will be prohibited while the Measures remain in place.

Shareholders are strongly encouraged to submit a proxy form indicating their votes in accordance with the notes to the AGM on page 83, and email any questions for the Board to john.woollhead@thruvision.com a minimum of 48 hours prior to the AGM. The Board will do its best to answer these questions either during, or immediately after, the AGM, by email.

The Board is monitoring the situation and will make any further announcement required through the release of an RNS and on the investor page of its website: https://www.thruvision.com/investors/

Auditor

Grant Thornton UK LLP have expressed their willingness to continue as auditor of the Company. A resolution to re-appoint Grant Thornton UK LLP as the Company’s auditor will be put to the forthcoming AGM.

Approved by the Board of Directors and signed by order of the Board:

John Woollhead
Company Secretary
121, Olympic Avenue
Milton Park
Abingdon
Oxon
OX14 4SA

Registered in England and Wales No. 07149547

5 June 2020

Corporate governance report

This report for Shareholders sets out Thruvision's approach to Corporate Governance. The Company is listed on AIM and accordingly is not required to comply with the provisions contained in the 2018 UK Corporate Governance Code ('the Code') published by the Financial Reporting Council, available at www.frc.org.uk.

However, the Directors have agreed to adopt, as far as practicable, many of the principles contained in the Code. The Company formally reports against the QCA code on Corporate Governance.

The Board

The Board of Thruvision recognises its responsibility to provide entrepreneurial and responsible leadership to the Group within a framework of prudent and effective controls (described below) allowing assessment and management of the key issues and risks impacting the business. The Board sets Thruvision's overall strategic direction, reviews management performance and ensures that the Group has the necessary financial and human resources in place to meet its objectives. The Board is satisfied that the necessary controls and resources exist within the Group to enable these responsibilities to be met.

The Chairman is responsible for the leadership of the Board and ensuring its effectiveness.

Following the disposal of the Video Business in October 2017 the Board has only one Independent Non-Executive Director. This is not in accordance with the Code or the Quoted Companies Alliance Corporate Governance code. However, due to the nature and complexity of the business and its current stage of development and the fact that an experienced and qualified Company Secretary is retained to ensure appropriate governance arrangements, the Board has satisfied itself that it has the right balance of Board membership at this time. It is anticipated that the composition of the Board will be reviewed again later in 2020.

Operational management of the Group is delegated to the Executive Directors and business unit heads who meet regularly to discuss such matters. These matters include project delivery, product development, resource allocation, sales, customer relationships and initial due diligence on mergers and acquisitions.

All decisions taken by both the Board and the Management team take due regard of the longer impact of that decision on the success of the Group , the impact on wider stakeholders and the impact of business operations on wider society. As far as possible all stakeholders are treated equally and fairly but it is not always possible to balance the interests of the Group with those of all stakeholders and accordingly it is not always possible to fully align the interests of all stakeholders.

At the date of this report, the Board comprises three Executive and one Non-Executive Director whose Board and Committee responsibilities are set out below.

		Board	Audit	Remuneration	Nomination
Tom Black	Executive Chairman	Chairman	Member	Member	Member
Colin Evans	Chief Executive Officer	Member	–	–	–
Adrian Crockett	Finance Director	Member	–	–	–
Paul Taylor	Non-Executive Director	Member	Chairman	Chairman	Chairman

Biographies of each of the current Directors and their responsibilities can be found on page 10.

Adrian Crockett was appointed as Finance Director on 1 May 2019.

Ian Lindsay stepped down from the Board on 1 May 2019 and left the Company on 24 May 2019.

During the year, Paul Taylor confirmed to the Board that he had sufficient time available to fulfil his obligations as a Director and, should his circumstances change, that he would inform the Board.

After careful review, the Board has concluded that Paul Taylor was independent during the year under review and remains independent at the date of this report. In coming to this assessment, the Board considered his strength of character and independence of judgement and opinion, and the fact that he:

- has never been an employee of the Group;
- has not had a material business relationship with the Group;
- receives no remuneration other than fees;
- has no close family ties with advisors, other Directors or senior management of the Group;
- has no significant links with other Directors through involvement with other companies;
- does not represent a significant Shareholder; and
- has not served on the Thruvision Board for more than nine years.

In the year under review, the Board met on 11 scheduled occasions; further meetings and conference calls are held as and when necessary. Details of Directors' attendance at scheduled meetings during the year are set out in the table below:

	Scheduled Board meetings attended
Tom Black	11/11
Colin Evans	11/11
Ian Lindsay	10/10
Paul Taylor	11/11
Ian Lindsay	1/1

During the year, the Chairman met with the Non-Executive Director without the Executives present on several occasions.

The Board also ensures that the principal goal of the Company is to create Shareholder value, while having regard to other stakeholder interests, and takes responsibility for setting the Company's values and standards. Accordingly, the long-term interests of Shareholders, together with consideration of the wider community of interests represented by employees, customers and suppliers, and community and the environment are factored into the Group's management processes. They are reinforced through employee participation in Equity Incentive Schemes. The steps taken to achieve these goals are communicated to Shareholders and other interested parties through the Company's website (www.thruvision.com) and to employees via formal and informal briefings. Through formal policies, the Board seeks to engender a culture where business ethics, integrity and fairness are values that all employees endorse and apply in their everyday conduct.

There is a documented schedule of matters reserved for the Board, the most significant of which are:

- responsibility of the overall strategy and management of the Group;
- approval of strategic plans, profit plans and budgets and any material changes to them;
- approval of the acquisition or disposal of subsidiaries and major investments, projects and contracts;
- oversight of the Group's operations ensuring competent and prudent management, sound planning and management of adequate accounting and other records;
- changes relating to the Group's capital structure;
- final approval of the annual and interim financial statements and accounting policies;
- approval of the dividend policy;
- ensuring an appropriate system of internal control and risk management is in place;
- approval of changes to the structure, size and composition of the Board;
- review of management structure and senior management responsibilities;
- with the assistance of the Remuneration Committee, approval of remuneration policies across the Group;
- delegation of the Board's powers and authorities including the division of responsibilities between the Chairman and the Executive Directors;
- consideration of the independence of the Non-Executive Directors; and
- receiving reports on the views of the Company's Shareholders.

During the year, the Board received monthly briefings on the Group's performance (including detailed commentary and analysis) and key issues and risks affecting the Group's business. Amongst other matters, it reviewed the content of the Group's risk register and the Group's health and safety policies, processes and performance. Reports on Group operations, human resources, governance and regulatory matters affecting the Group were provided to the Board on a regular and timely basis. Briefings on customer activity, together with the views of Shareholders, were also provided to the Board.

The Company maintains liability insurance for its Directors and Officers. The Directors and Officers have also been granted a qualifying third-party indemnity provision under the Companies Act 2006. That indemnity provision has been in force throughout the year and remains in force at the date of this report.

Procedures exist to allow the Directors to seek independent legal and professional advice in respect of their duties at the Company's expense where the circumstances are appropriate. All Directors have access to the Company Secretary for advice.

The process for appraising the Chairman's performance is set out on page 22.

Board Committees

Summary
There are three principal Board Committees: Audit; Remuneration; and Nomination. The roles and responsibilities of each of these Committees are detailed below. Paul Taylor is chair of each of the Committees with Tom Black as the other member.

The Committees are provided with sufficient resources via the Company Secretary and, where necessary, have direct access to independent professional advisors to undertake their duties.

Audit Committee

Paul Taylor was Chairman of the Committee during the year under review and to the date of this report. Paul Taylor is a qualified Certified Accountant and is deemed by the Board to have recent and relevant financial experience and is independent for the purposes of the Code. All Committee members have extensive commercial experience, the details of which, along with their qualifications, are set out in the Directors' biographies on page 10. Further information on the work of the Audit Committee during the year is given below.

Terms of reference
The Audit Committee's terms of reference are available on request. The Audit Committee reviewed and re-approved its terms of reference in February 2020. Under its terms of reference, the Committee is responsible for providing advice to the Board on the Group's interim results and final financial statements; on accounting policies; and on the control of its financial and business risks as well as reviewing the work of the external auditors.

Frequency of meetings
The Audit Committee met four times during the year under review. The Chairman of the Audit Committee provided a report on the work of the Committee and any significant issues that may have arisen at the Board meeting following each Committee meeting.

Attendees at meetings
The Group Finance Director and Executive Directors attend Committee meetings by invitation of the Committee. Representatives of the Group's external auditor also attend these meetings by invitation. During the year, the external auditors attended all meetings, had direct access to the Committee during the meetings and time was also set aside for them to have private discussions (jointly and independently) with the Committee, in the absence of management.

The attendance of individual Committee members at Audit Committee meetings during the year under review is shown in the table below:

	Meetings attended
Paul Taylor	4/4
Tom Black	4/4

Audit Committee activity

The purpose of the Audit Committee is to assist the Board in the discharge of its responsibilities for financial reporting and corporate control and to provide a forum for reporting by the external auditors. The responsibilities of the Audit Committee include:

- to monitor the integrity of the financial statements of the Company, and any formal announcements relating to the Group's financial performance, including reviewing significant financial reporting judgements and any disclosures contained in them;
- to review the Group's internal financial controls and its internal control and risk management systems including the management of intellectual property and to make recommendations to the Board;
- to consider the requirement for an internal audit function;
- to make recommendations to the Board, for it to be put to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to agree the nature and scope of the external audit;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- to review the Group's policy on the engagement of the external auditor to supply non-audit services and report to the Board, identifying matters in respect of which it considers action or improvement is needed and make recommendations as to the steps to be taken;
- to review the Group's whistle-blowing procedures; and
- to review the effectiveness of the audit process.

The Audit Committee's work during the year and up to the date of this report included:

- reviewing the interim results, preliminary announcement and the Annual Report and Accounts prior to their submission to the Board;
- reviewing significant accounting policies, financial reporting issues and judgements used in the preparation of the Company's preliminary announcement and interim results and final financial statements;
- reviewing management's Letters of Representation in connection with the Company's financial statements and the auditor's Management Letter;
- reviewing areas where control weaknesses had been identified by the external auditor and monitoring the mitigation and remediation plans of management;
- reviewing the regular reports of the external auditor including any weaknesses identified in respect of the Group's internal controls;
- approving the external audit plan (including audit scope, level of materiality, resources dedicated to the audit engagement, the seniority, expertise and experience of the engagement team), and satisfying itself as to the appropriateness and adequacy of the plan;
- evaluating the performance of the external auditor and satisfying itself as to the effectiveness of the audit;
- reviewing the Group's risk management processes and controls, and their effectiveness;
- reviewing the effectiveness of the Group's whistle-blowing procedures and satisfying itself that they allow for appropriate investigation and suitable follow-up actions; and
- reviewing the effectiveness of the Committee.

At the conclusion of each meeting of the Audit Committee, the Non-Executive Directors met with the external auditor without the Executives present. In addition, the Audit Committee Chair met with the external auditor to discuss the audit review process and other relevant matters.

External auditor
The Audit Committee is responsible for overseeing the relationship with the external auditor.

During the year and to the date of this report, the Committee:

- approved the Audit Engagement Letters and fee proposal, and satisfied itself as to the auditor's ability to conduct an effective audit for such fee;
- reviewed and assessed the external auditor's independence and objectivity taking into account relevant UK professional and regulatory requirements. In doing so, the Committee reviewed the external auditor's own policies and procedures to safeguard its objectivity, independence and integrity, together with its representations as to independence. The Committee received assurances from the Audit Engagement Partner that the external auditor's reward and remuneration structure includes no incentives for audit engagement partners to cross-sell non-audit services to audit clients;
- approved the annual audit plan and ensured that it was consistent with the scope of the Audit Engagement;
- reviewed the findings of the audit, including discussion of any major issues arising, any accounting and audit judgements and the internal control reports (including responses from management and any proposed remedial action);
- reviewed the effectiveness of the audit and the external auditor; and
- reviewed the requirement for an internal audit function.

Auditor independence
The Audit Committee and the Board consider auditor objectivity and independence ensuring, in particular, that it is not compromised where the auditor provides non-audit services. It is the Group's policy to use the services of advisors other than the external auditors for non-audit work unless the nature of the non-audit work makes it more timely, efficient or cost-effective to select advisors who already have a good understanding of the Group. The Chairman of the Audit Committee is consulted prior to each major non-audit engagement where the use of the auditor is proposed. During the year under review, the non-audit-related work undertaken by Grant Thornton UK LLP related to transfer pricing advice, corporation tax returns and R&D tax credits and work on the assessment of distributable reserves.

Details of audit and non-audit-related fees paid to Grant Thornton UK LLP in the year under review are given in Note 3 to the accounts on page 52.

Internal audit function

The Audit Committee concluded that an internal audit function is not appropriate given the current stage of the Group's development.

Re-appointment of Grant Thornton UK LLP

Grant Thornton UK LLP were appointed as external auditor on 10 November 2017. There are no contractual restrictions on the Company with regard to its appointment.

At its meeting in May 2020, the Audit Committee considered the appropriateness of the re-appointment of Grant Thornton UK LLP as the Group's external auditor for the year to 31 March 2021.

The Audit Committee was satisfied, in view of their performance in respect of the 2020 audit process, that it should recommend to the Board the re-appointment of Grant Thornton UK LLP as the Company's and Group's external auditor at the AGM to be held on 22 September 2020.

Remuneration Committee

Paul Taylor was Chairman of the Committee during the year under review and to the date of this report.

The Remuneration Committee is responsible for reviewing remuneration arrangements for the Executive Directors and other senior employees of the Group and for providing general guidance on aspects of remuneration policy throughout the Group. New Bridge Street are retained as independent external advisors in order to assist the Committee in setting appropriate remuneration arrangements.

During the year and up to the date of this report, the Remuneration Committee made recommendations to the Board regarding:

- basic salary and other benefits of the Executive Directors and other senior employees of the Group;
- bonus payable to Executive Directors in respect of the year ended 31 March 2020;
- bonus arrangements for Executive Directors and other employees in respect of the year to 31 March 2021;
- policy regarding the provision of equity incentive for Executive Directors and senior management;
- awards made under the EMI and unapproved Share option scheme in 2019 and to the date of this report;
- agreement to extend the life of the Long Term Incentive Plan; and
- the appointment of New Bridge Street as Remuneration Consultants.

The terms of reference of the Remuneration Committee are available on request. The Chairman of the Remuneration Committee provided a report to the Board following each meeting of the Remuneration Committee.

The attendance of individual Committee members at Remuneration Committee meetings during the year under review are shown in the table below:

	Meetings attended
Paul Taylor	9/9
Tom Black	9/9

The Remuneration report is set out on pages 25 to 30.

Nomination Committee

Paul Taylor was Chairman of the Committee during the year under review and to the date of this report.

The Nomination Committee meets as and when required. During the year under review, it met twice and details of Directors' attendance at that meeting are set out in the table below. Company executives and advisors attend meetings by invitation only. The Nomination Committee updates the Board and makes recommendations as and when required.

The terms of reference of the Nomination Committee are available on request. The Nomination Committee is responsible for succession planning at Board level, overseeing the selection and appointment of Directors and making its recommendations to the Board. It is also responsible for evaluating the commitments of individual Directors and the balance of skills, knowledge and experience on the Board and ensures that the membership of the Board and its principal Committees are refreshed periodically. Where appropriate, the Nomination Committee will prepare an outline of the role and capabilities required for particular appointments and use an external search consultancy and/or advertising in relation to Board appointments.

During the year under review and up to the date of this report, the Nomination Committee met and made recommendations to the Board regarding:

- the appointment of Adrian Crockett as Finance Director in May 2019;
- the proposed re-election of Tom Black at the forthcoming AGM;
- the proposed re-election of Colin Evans at the forthcoming AGM;
- the proposed re-election of Paul Taylor at the forthcoming AGM; and
- the proposed re-election of Adrian Crockett at the forthcoming AGM:

The appointment of Adrian Crockett as Finance Director was undertaken during the year. A detailed specification for the role was prepared in order to facilitate the identification of suitable candidates. A search consultant was retained in order to assist the search and prepare a shortlist for consideration. A number of candidates were met by the Nomination Committee including the Executive Chairman with the recommended candidate being met by the other Directors and senior managers prior to appointment.

The attendance of individual Nomination Committee members at Nomination Committee meetings during the year under review is shown in the table below:

	Meetings attended
Paul Taylor	2/2
Tom Black	2/2

Chairman and Executive Directors
During the year and to the date of this report there is a clear division of responsibilities between the role of the Chairman (who served in a Non-Executive capacity until 31 October 2017 and assumed an executive role from 1 November 2017) and the other Executive Directors, which is set out in writing and which has been approved by the Board.

Appointments to the Board
Appointments to the Board and its Committees are reserved for the Board, based on recommendations from the Nomination Committee. The appointment and removal of the Company Secretary is a matter reserved for the Board as a whole.

Information and professional development
Under the Chairman's stewardship the Company Secretary advises the Board on all governance matters and ensures Board procedures are followed and applicable rules and regulations complied with.

The Company Secretary ensures that Directors undergo a comprehensive induction programme on appointment.

All Directors individually, and each of the Board Committees, have access to the advice and services of the Company Secretary. There are also procedures in place enabling Directors in the furtherance of their duties to seek independent professional advice at the Company's expense.

Performance evaluation
A formal appraisal process for the Board and its Committees was undertaken in July 2019. This was an internal process using detailed questionnaires completed by all relevant Directors and collated and summarised by the Company Secretary. As a result of this process certain actions were agreed and have been implemented.

The questionnaire in respect of the Board, the Remuneration and the Nomination Committees covered objectives and strategy, management oversight, Board performance, meetings, external relationships, governance, succession planning and Board/Committee constitution. The results of the exercise were discussed by the Board who concluded that the Board and its Committees were operating effectively.

In April 2020, the Chairman reviewed the performance of the Chief Executive, The Senior Independent Director reviewed the performance of the Chairman, the Board reviewed the performance of the Senior Independent Director and the Chief Executive reviewed the performance of the Finance Director. As part of this process the training needs of all Directors were reviewed.

The process confirmed that all Directors continued to contribute effectively, and with sufficient commitment to their roles in order to facilitate the progress of the Group.

Re-election

The current Articles require that all Directors are subject to election by Shareholders at the first AGM following appointment and thereafter to re-election at least every three years.

The AGM of the Company will be held on 22 September 2020. In accordance with good corporate governance practice all Directors will be offering themselves for re-election at the forthcoming AGM.

Internal control

The Board is responsible for establishing and maintaining the Group's system of internal control and for reviewing the effectiveness of those controls. Internal control systems are designed to meet the particular needs of the Group and the risks to which it is exposed. By their nature however, internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material errors, losses, fraud or breaches of laws and regulations.

The systems of internal control have been maintained during the year as the Group has developed. The effectiveness of these systems has been periodically reviewed by the Audit Committee and the Board.

The systems of internal control are based on an on-going process of identifying, evaluating and seeking to manage key risks and include the preparation and refreshment of Group risk registers, together with appropriate risk mitigation activities along with the other risk management processes as set out below. With oversight from the Board and Audit Committee, individual members of the Group's Board are responsible for the ownership and mitigation of significant risks. The Audit Committee and the Board regularly review the identified risks, changes in their status and the composition of the Group's risk matrix.

Key elements of the internal control system are described below:

- clearly defined management structure and delegation of authority to Board Committees and business units;
- high recruitment standards to ensure integrity and competence of staff;
- regular and comprehensive information provided to management, covering financial and non-financial performance indicators;
- technical, financial and legal due diligence undertaken prior to acquisitions;
- a detailed budgeting process where business units prepare budgets for the coming year for Board approval;
- monthly monitoring and re-forecasting of annual and half-yearly results against budget, with major variances followed up and management action taken where appropriate;
- procedures for the approval of capital expenditure, investments and acquisitions;
- regular review and updating of the Group risk register including the implementation of mitigating actions; and
- formal consideration of progress made against significant business risks on a quarterly basis.

The above system was in place for the year under review and up to the date of this report and has been used in the preparation of the consolidated financial statements as at 31 March 2020.

The Board, with the assistance of the Audit Committee, has conducted its annual review of the effectiveness of the system of internal control based on a review of significant risks identified, external audits and reports from management and concluded that the system of internal control is adequate given the stage of the Group's development.

Communication with investors

The Group believes it is important to explain business developments and financial results to its Shareholders and to understand any Shareholder views and concerns, and that suitable arrangements are in place to ensure a balanced understanding of the issues and concerns of major Shareholders. The Chairman, the Chief Executive Officer, and the Finance Director have primary responsibility for investor relations. Meetings are held with institutional Shareholders to discuss strategy, financial performance and investment activities immediately after the full year and interim results announcements. The Annual Report and the interim results are available on the Company's website. The Non-Executive Director is available to meet with major Shareholders, if such meetings are required. Further financial and business information is available on the Investor Section of the Company's website.

Feedback from meetings with Shareholders is provided to the Board to ensure that the Non-Executive Director has a balanced understanding of the issues and concerns of major Shareholders.

The principal method of communication with private Shareholders is through the Annual Report and interim results, the AGM and through the Company's website.

Annual General Meeting (AGM)

Where possible arrangements are made for all Directors to attend the AGM and to be available to answer Shareholders' questions. However, given the current restrictions in light of Covid-19 it is possible that not all Directors will be present at the AGM. This will depend on the restrictions regarding travel and meetings of more than two people that may be in place at that time, in light of Covid-19. Further details regarding the AGM planning can be found in the Directors report on page 16 and in the Notice of Meeting on page 78.

The Notice of the AGM is, in accordance with the applicable Companies Act and the Articles, either posted in hard copy to Shareholders or posted on the Company's website at least 21 days before the date of the AGM. Resolutions are proposed for each substantially separate issue and details of the proxy voting on each resolution are announced at the AGM after the results of the show of hands is known and are posted on the Company's website following the conclusion of the meeting.

The Company counts all proxy votes and indicates the level of proxies lodged on each resolution. It also publishes the level of votes for and against resolutions and the number of votes withheld. The Company ensures that votes cast are properly received and recorded.

Remuneration report

Composition of the Remuneration Committee

Paul Taylor was Chairman of the Committee during the year under review and to the date of this report. The other member of the Committee was Tom Black.

Paul Taylor has no potential conflict of interest arising from cross-directorships and he is not involved in the day-to-day running of the Company. Tom Black is a member of the committee but is not involved in decisions concerning himself.

The Remuneration Committee has appointed New Bridge Street to provide advice on executive remuneration including the valuation of awards under the Equity Incentive Programme. New Bridge Street (a trading name of Aon plc) is an independent advisor to the Remuneration Committee. Neither New Bridge Street nor any other part of Aon plc provided other services to the Company during the year under review.

Role of the Remuneration Committee

The Remuneration Committee is responsible for the Board policy with respect to senior executives' salary and other remuneration. It specifically determines within remuneration principles agreed with the Board, the total remuneration package of each Executive Director and reviews the remuneration packages for other senior executives. A copy of the terms of reference is available on request.

The Committee met nine times during the year. Details of attendance are shown in the Corporate Governance statement on page 21.

Remuneration policy

The Group's policy is to provide Executive Directors with a competitive market-based package in order to reward individual and Group performance and deliver outstanding Shareholder returns.

The Remuneration Committee is committed to ensuring that the Company's key executive team is incentivised to drive sustainable earnings growth and returns to Shareholders, thereby creating a genuinely strong alignment of interests between management and investors. A robust, strategically-focused equity-based long-term incentive policy is a key ingredient of this.

Year ending 31 March 2020

During the year under review, it was the policy of the Company that Executive Directors receive a basic salary, a bonus opportunity, life assurance of four times salary, private medical insurance and pension fund membership.

No bonus payments were made to the Executive Directors in respect of the year to 31 March 2020.

Awards were made to some of the Executive Directors in October 2019 under the EMI Share option scheme and unapproved share option scheme as detailed on page 29 of this report.

Year ending 31 March 2021 and subsequent periods

A similar structure of remuneration will be payable for the year ending 31 March 2021 in respect of base salary, life assurance, private medical insurance and pension fund membership. It is anticipated that a further award under the EMI Share Option scheme will be made later in the year.

Base salary
It is the policy of the Company to pay a competitive base salary which is regularly benchmarked against organisations of a similar size and in a similar sector.

Bonus opportunity
It is expected that a bonus scheme will be put in place, based on revenue and profit in the year to 31 March 2021. However, at the time of writing and due to the uncertainty created by Covid-19, the terms of the scheme have yet to be agreed.

Long-term Incentive Scheme
It is expected that annual awards will be made under the LTIP.

Pension
The Company introduced a Defined Contribution pension scheme, in line with legislation, for all employees (including Directors) in October 2015.

During the year under review Adrian Crockett and Ian Lindsay (up until his date of leaving) were members of the scheme.

During the year under review the scheme provided for employer and employee contributions to be made at the rate of 3% and 5% respectively. The employer contributions of Adrian Crockett Ian Lindsay are given on page 28. Colin Evans and Tom Black (who both became eligible to join on 1 November 2017) decided not to participate in the scheme and accordingly no contributions have been made on their behalf.

Other benefits
Currently the Executive Directors are offered life cover of four times salary and private medical insurance. It is anticipated that these benefits will continue and that no other benefits will be offered.

Base salary

During the year under review the base salary of Colin Evans was £235,000 (2019: £235,000) and the base salary of Tom Black was £45,000 (2019: £45,000). The base salary of Adrian Crockett, who was appointed on 1 May 2019 was £155,000. At the date of this report the base salaries as detailed have not been increased and therefore above remain at the levels as detailed.

Ian Lindsay left the Company on 24 May 2019. At the date of leaving his base salary was £155,000.

Termination payments

Ian Lindsay left the Company on 24 May 2019. In accordance with his leaving arrangements he was paid his salary in lieu of notice until 31 August 2019. No further payments were made to him.

Bonus scheme

Year ending 31 March 2020
During the year under review, the Executive Directors participated in a formal bonus arrangement but, based on the performance of the Company, no payments were made under the bonus scheme.

Year ending 31 March 2021
It is expected that a bonus scheme will be put in place, based on revenue and profit in the year to 31 March 2021. However, at the time of writing and due to the uncertainty created by Covid-19, the terms of the scheme have yet to be agreed.

Equity incentives

Historically, the Company has operated the Long-term Incentive Plan ('LTIP'), with the aim of providing employees who are granted an award with nil-cost Shares on exercise. The historic LTIP awards consisted of three constituent elements, an HMRC Approved Option, a Top-Up Award and a Parallel Option. All awards made under the LTIP to both Executive Directors and senior management are approved by the Remuneration Committee.

All awards made under these historic arrangements have now lapsed as the performance criteria attaching to the awards has not been achieved. Accordingly, no shares have been issued to Directors or employees under these historic schemes in the year under review.

Further details of the structure of these awards can be found on page 30 of the 2018 Annual Report.

Enterprise Management Incentive Scheme (EMI)

With effect from 1 November 2017 the Remuneration Committee agreed that future equity awards would be made, as far as possible, under the EMI Section of the LTIP. Awards under the EMI scheme provides tax efficient Share options up to certain limits as set by HMRC. Awards have been made under the EMI scheme as detailed on page 27 of this report. Performance Conditions apply to awards made since 1 January 2019 the details of which are given on page 30. Performance Conditions do not apply to awards made prior to 31 December 2018. In all cases the option price Is payable by the employee concerned on exercise.

Unapproved options and awards to overseas employees
Awards are made under an unapproved scheme in the case where no further awards can be made under the EMI scheme or where awards are to be made to overseas employees. Awards have been made under the Unapproved scheme as detailed on page 27 of this report. Performance Conditions apply to awards made since 1 January 2019 the details of which are given on page 30. Performance Conditions do not apply to awards made prior to 31 December 2018. In all cases the option price Is payable by the employee concerned on exercise.

Renewal of Long-Term Incentive Plan
The existing LTIP was implemented on 23 June 2010 for a period of 10 years. It is under this LTIP that EMI, Approved, Unapproved, top-up and Parallel option awards have historically been made.

It is proposed at the forthcoming AGM that the LTIP be updated and approved for a further period of 10 years. Full details regarding the provisions of the new LTIP are given on pages 81 and 82.

Sharesave Scheme
At the General Meeting held on 1 November 2013, the introduction of a Sharesave Scheme ('the Scheme') was approved by Shareholders. The Scheme was launched in June 2014.

An award under this scheme was made on 21 September 2018 which resulted in 1,443,600 options being granted at an option price of 20p. At 31 March 2020 1,299,600 options remained outstanding and capable of exercise under this award.

A further award under this scheme was made on 30 October 2019 which resulted in 410,863 options being granted at an option price of 22.08p. At 31 March 2020 378,255 options remained outstanding and capable of exercise under this award.

Details of awards made to the Executive Directors under this scheme are given on page 29.

It is anticipated that the Scheme will be re-launched to all UK employees within six weeks of the publication of this report.

There are no other Share Option schemes operated by the Group.

Deferred Share Bonus Plan ('the Plan')
The introduction of a Deferred Share Bonus Plan for use in conjunction with the bonus arrangements for the Executive Directors and for other senior employees of the Group who may have an entitlement to Deferred Shares under Group bonus arrangements was approved by the 2013 AGM.

Full details of the Plan are given in the 2015 Annual Report.

To date no awards have been made under the Plan and it is not expected that awards will be made under the Plan in the future.

Dilution limits and Employee Benefit Trust
It is the policy of the Company that awards made under the LTIP (including the EMI scheme), the Sharesave Scheme, via the Deferred Share Bonus Plan and any other long-term incentive scheme which are to be satisfied by new issue Shares will, in total, not exceed 1% per annum on average of the issued Share capital over the medium to long term. However, in the short term, awards may be made which would exceed 1% in any one particular year.

At 31 March 2020, potentially dilutive awards have been made and are still outstanding as detailed below:

	31 March 2020	31 March 2019
Awards under the EMI scheme	**6,364,365**	6,194,365
Awards under the unapproved scheme and to US employees	**3,697,629**	2,389,698
Historic awards under the LTIP (HMRC approved and top-up awards)	**nil**	28,541
Awards under the Sharesave Scheme	**1,677,855**	1,353,600
Awards under the Deferred Share Bonus Plan	**nil**	nil
Total	**11,739,849**	9,966,204

If all the above equity awards were to vest, dilution on the current share capital would amount to 8.07%.

All awards made under the LTIP (excluding EMI awards) will be satisfied by Shares held in the Thruvision Group plc Employee Benefit Trust ('EBT'). The Company has confirmed to the EBT that sufficient Shares will be made available prior to the requirement to satisfy the exercise of awards under the LTIP. At 31 March 2020 no shares were held by the EBT (2019; nil).

All awards made under the LTIP (excluding EMI awards) prior to 31 October 2017 have lapsed.

Full details of awards made under the LTIP, the EMI scheme and the Sharesave Scheme during the year are given in Note 17 on pages 60 to 62.

Pensions

Adrian Crockett joined the Thruvision Group Pension Scheme, a defined contribution scheme, from 1 May 2019 was a member during the year under review and remains a member at the date of this report.

Ian Lindsay was a member of the scheme until he left the Company on 24 May 2019.

Tom Black and Colin Evans did not participate in the scheme or any other pension scheme operated by the Company.

Remuneration of the Non-Executive Directors

The remuneration of the Non-Executive Director comprises solely of fixed fees which are set by the Board. Advice is taken on appropriate levels taking account of the development of the Group, market practice, time commitment and responsibility. Directors are not involved in discussions relating to their own salary, benefits or fees.

The total fees for Non-Executive Directors remain within the aggregate limit of £250,000 per annum as set out in the Articles. There are no pre-determined special provisions for Non-Executive Directors with regard to compensation in the event of loss of office.

In the year under review and to the date of this report the annual fee payable to Paul Taylor was £35,000 (2019: £35,000) per annum.

Directors' remuneration for the year ended 31 March 2020

	Basic salary/fees 2020 £'000	Pension 2020 £'000	Other 2020 £'000	Benefits 2020 £'000	Bonus 2020 £'000	Remuneration **2020** **£'000**	Remuneration 2019 £'000
Executive Directors							
Tom Black (as Executive Chairman)	45	nil	nil	nil	nil	**45**	45
Colin Evans	235	nil	nil	1	nil	**236**	236
Adrian Crockett (appointed 1 May 2019)	142	4	nil	1	nil	**147**	
Ian Lindsay (to 24 May 2019)	24	1	41	1	nil	**67**	170
Non-Executive Directors							
Paul Taylor	35	nil	nil	nil	nil	**35**	35
Total	**481**	**5**	**41**	**3**		**530**	486

Tom Black, Colin Evans, and Paul Taylor were in office during the year and remuneration has been presented from 1 April 2019 to 31 March 2020.

Adrian Crockett joined the Board on 1 May and his remuneration is presented from that date to 31 March 2020.

Ian Lindsay left the Company on 24 May 2019 and his remuneration is presented from 1 April 2019 to date of leaving the Company.

Service contracts

Tom Black and Colin Evans are subject to rolling service contracts with a notice period of one year. Adrian Crockett is subject to a rolling service contract with a notice period of six months. Payments on termination for Executive Directors, other than on grounds of incapacity or in circumstances justifying summary termination, are restricted to the value of any unexpired notice period and the cost of providing other contractual benefits during the unexpired notice period.

The letter of appointment in respect of Paul Taylor is for a fixed period of three years and may be terminated by either party giving to the other not less than one month's notice. The initial three-year period in respect of Paul Taylor expired on 1 April 2015, was extended to expire on 1 April 2018 and has again been extended for a further period of three years to expire on 1 April 2021.

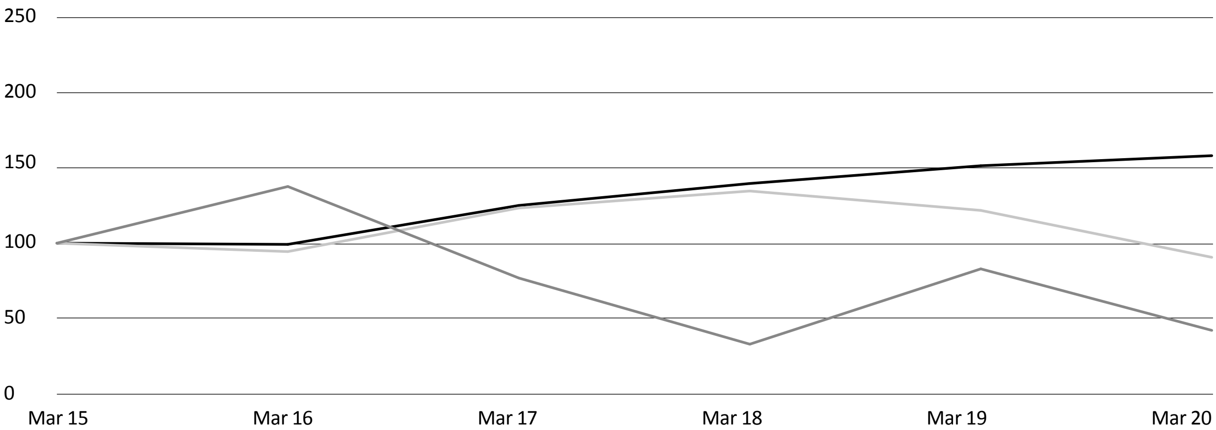
Details of the Directors offering themselves for re-election at the forthcoming Annual General Meeting are set out in the Directors' report on page 10.

The service contracts and letters of appointment include the following terms:

Executive Chairman	Date of contract	Notice period (months)
Tom Black	12 January 2018	12
Executive Directors		
Colin Evans	23 October 2010	12
Adrian Crockett	1 May 2019	6
Independent Non-Executive Director	Letters of appointment	Notice period (months)
Paul Taylor	3 May 2018	1

TSR performance

The graph below sets out for the period from IPO to 31 March 2020 the Total Shareholder Return of Thruvision Group plc and the performance of FTSE Aim sector and the FTSE All Share Electronic and Electrical equipment index.



The Share price of the Company on 8 February 2010 (being the date of the Company's IPO) was £1. During the year under review, the Share price varied between 31.1p pence and 14.5 pence and at 31 March 2020 was 14.5 pence.

Share awards to Directors under the EMI scheme held at 31 March 2020

	At 1 April 2019	Awarded during the year	Lapsed during the year	Vested during the year	**At 31 March 2020**	Grant date	Exercisable from	Share price at grant	Exercise price
Tom Black									
EMI Share options awarded in January 2018	585,175	nil	nil	nil	**585,175**	17/1/18	17/1/21 to 17/1/28	15.38p	15.38p
Colin Evans									
EMI Share options awarded in January 2018	1,625,487	nil	nil	nil	**1,625,487**	17/1/18	17/1/21 to 17/1/28	15.38p	15.38p
Adrian Crockett									
EMI Share options awarded in October 2019	nil	400,000	nil	nil	**400,000**	8/10/19	8/10/22 to 8/10/29	27.60p	27.60p

Share awards to Directors under the unapproved Share option scheme held at 31 March 2020

	At 1 April 2019	Awarded during the year	Lapsed during the year	Vested during the year	**At 31 March 2020**	Grant date	Exercisable from	Share price at grant	Exercise price
Colin Evans									
Unapproved Share options awarded in January 2018	374,513	nil	nil	nil	**374,513**	17/1/18	17/1/21 to 17/1/28	15.38p	15.38p
Unapproved Share options awarded in January 2019	870,370	nil	nil	nil	**870,370**	18/1/19	18/1/22 to 18/1/29	27.00p	27.00p
Unapproved Share options awarded in January 2019	nil	851,449	nil	nil	**851,449**	8/10/19	8/10/22 to 8/10/29	27.60p	27.60p
Total	1,244,883	851,449	nil	nil	**2,096,332**				

Awards made in January 2019 and October 2019 under both the EMI scheme and the Unapproved scheme were subject to a performance condition based on revenue and profit in the period 1 April 2021 to 31 March 2022 (FY22) as follows.

FY22 Revenue	FY22 profit (EBITDA)	Percent of awards that vest
£18.9M or more	£1M or more	100%
Between £16.2M and £18.9M	Between breakeven and £1M	Straight line basis between 0% and 100%
Less than £16.2M	Less than breakeven	0%

Awards made in January 2018 and March 2018 under both the EMI scheme and the Unapproved scheme were not subject to a performance condition.

Share awards made to Executive Directors under the Sharesave Scheme at 31 March 2020

	At 1 April 2019	Awarded during the year	Lapsed during the year	Vested during the year	**At 31 March 2020**	Grant date	Exercisable from	Share price at grant	Exercise price
Tom Black									
Sharesave option granted September 2018	90,000	nil	nil	nil	**90,000**	21/9/18	21/9/21 to 21/3/22	£0.25	£0.20
Colin Evans									
Sharesave option granted September 2018	90,000	nil	nil	nil	**90,000**	21/9/18	21/9/21 to 21/3/22	£0.25	£0.20
Adrian Crocket									
Sharesave option granted September 2018	nil	8,152	nil	nil	**8,152**	3/10/19	3/10/22 to3/4/23	£0.276	£0.2208

Directors' interests in Shares
The interests of the Directors at the end of the year in the Share capital of the Company were as follows:

	As at 31 March 2020 Ordinary Shares	As at 1 April 2019 Ordinary Shares	**As at 31 March 2020 Deferred Shares**	As at 31 March 2019 Deferred Shares
Tom Black	**11,349,444**	11,349,444	**nil**	81,562
Colin Evans	**2,423,900**	2,423,900	**nil**	40,781
Adrian Crockett	**nil**	nil	**nil**	nil
Paul Taylor	**272,489**	272,489	**nil**	nil

No Director holds a non-beneficial interest in the Company's Share capital. There have been no changes in Directors' Shareholdings between 31 March 2020 and 5 June 2020.

Approved by the Board and signed on its behalf:

Paul Taylor
Chairman, Remuneration Committee

5 June 2020

Directors' responsibility statement – Group financial statement

The Directors are responsible for preparing the Strategic Report and Directors' Report the Directors' Remuneration 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 to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 and profit or loss of the Company and Group 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 accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration report 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 confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

To the best of our knowledge:

- the Group financial statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Tom Black
Chairman

5 June 2020

Adrian Crockett
Finance Director

5 June 2020

Independent auditor’s report to the members of Thruvision Group plc

Opinion

Our opinion on the financial statements is unmodified.

We have audited the financial statements of Thruvision Group plc (the ‘Company’) and its subsidiaries (the ‘Group’) for the year ended 31 March 2020, which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Balance Sheet, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 ‘Reduced Disclosures Framework’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 2020 and of the Group’s loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the ‘Auditor’s responsibilities for the audit of the financial statements’ section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Group’s future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Group’s future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a group associated with these particular events.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors’ use of the going concern basis of accounting in the 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 Group’s or the Parent 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 authorised for issue.

In our evaluation of the Directors’ conclusions, we considered the risks associated with the Group’s business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the Group’s resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor’s report is not a guarantee that the Group will continue in operation.

Overview of our audit approach

- Overall materiality: £160,000, which represents 2% of the Group's revenue;
- Key audit matters were identified as revenue recognition and Impairment of Investments (Parent Company only);
- We performed full scope audit procedures on the financial statements of Thruvision Group plc and on the financial information of Thruvision Limited, as well as specified procedures on Thruvision Inc.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Group	How the matter was addressed in the audit – Group
Revenue Recognition Revenues of £8,002,000 have been recognised in the year ended 31 March 2020, arising from three revenue streams, two of which were material in the year. This is a material number within the financial statements. Revenue is a KPI for the business and is a key metric for investors. There is a degree of Management judgement involved in relation to the timing and recognition of revenues. The risk in this area was considered to have one main element: revenue items remaining unpaid at year end may have been incorrectly recognised. We therefore identified revenue recognition as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • Assessing the appropriateness, consistency and application of the Group's accounting policy against the requirements of IFRS 15 Revenue from Contracts with Customers for all revenue streams; • Selecting a sample of revenue transactions that remained unpaid at the balance sheet date; • For sales of goods, we traced recognised transactions from the general ledger to proof of delivery, or other evidence that the customer had accepted ownership, in order to provide evidence of occurrence and of appropriate revenue recognition; • For the sale of services or installation, we agreed the transactions from the general ledger to sales invoice, the original sales order and proof that the service had been performed before the year end; and • Performing analytical procedures in respect of gross margin and investigating and corroborating any outliers The Group's accounting policy on revenue recognition is show in note 1 to the financial statements and related disclosures are in note 2. **Key observations** Based on our audit work, our assessment is that revenue has been recognised in accordance with the financial reporting framework, including IFRS 15, and no material misstatements were identified.

Key Audit Matter – Parent	How the matter was addressed in the audit – Parent
Impairment of investments Investments in subsidiaries are carried at cost less impairment and valued on an individual basis. The investments in subsidiaries are included within the Company only balance sheet (Thruvision Group plc) and recorded at £7,597,000. Management assesses whether there are any losses in the carrying value of the investments in subsidiaries. As a first step the Company compares the carrying value to the net asset value of the subsidiary as at each reporting date. If the net asset value is below the carrying value, then the Company performs a valuation of the subsidiary by using a discounted cash flow analysis. If this valuation still indicates that the investment is impaired, the Company reduces the carrying value of the investment in the subsidiary accordingly. The determination whether an investment in the subsidiary needs to be impaired includes assumptions about the profitability of the underlying business and growth, which involves Management's judgment. We consider this to be a key audit matter not only due to this judgment involved but also based on the magnitude of £7,597,000.	Our audit work included, but was not restricted to: • Assessing the Company's accounting policy for impairment of investments for compliance with the financial reporting framework and whether Management has accounted for impairment of investments in accordance with that policy; • Assessing market capitalisation of the Group compared to the carrying value of the Company's investments; • Comparing the carrying value of the investments in subsidiaries as at 31 March 2020 to the Company's valuations as determined by Management; • Checking the calculations within the impairment model and comparing the results to the net asset position of the companies in question to determine whether there is impairment; • Testing the assumptions utilised in the impairment models by calculation of our own estimates of growth rates and discount rates to evaluate Management's point estimate; • Challenging Management's assessment of impairment indicators relating to investments by inputting less favourable assumptions into a sensitivity analysis of key factors, such as revenue and cost growth; and • Testing the accuracy of Management's forecasting through comparison of budget to actual data and historical variance trends and checking the cash flows for exceptional or unusual items or assumptions to consider whether Management has a robust process for assessing impairment. The Company's accounting policies on investments and impairment of assets is shown in note 2 to the Company financial statements and related disclosures in note 4. **Key observations** Based on our audit work, we considered the calculations and forecasts used by Management in the impairment calculations for the carrying value of investments in subsidiaries and the conclusions reached to be reasonable and supportable. We did not identify any material misstatements within the investment in subsidiaries within the Company only balance sheet.

Our application of materiality

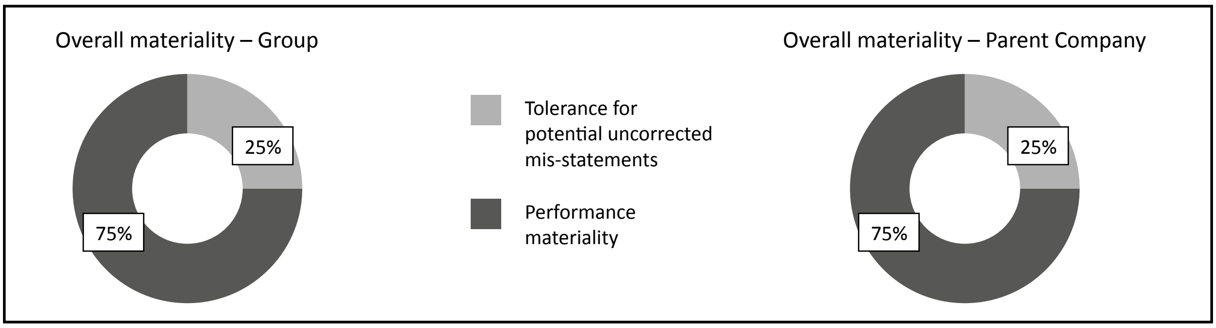
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality Measure	Group	Parent
Financial statements as a whole	£160,000 which is 2% of the Group's revenue. This benchmark is considered the most appropriate because this is a key performance indicator for Management. Materiality for the current year is lower than the level that we determined for the year ended 31 March 2019 to reflect a reduction in the percentage applied to the benchmark.	£103,000 which is 1.5% of the Parent Company's total assets, capped to component materiality. This benchmark is considered the most appropriate because the Parent Company's principal activity is that of a holding company and does not generate any revenues. Materiality for the current year is lower than the level that we determined for the year ended 31 March 2019 to reflect the reduction in Group materiality.

Materiality Measure	Group	Parent
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Specific materiality	We determined a lower level of specific materiality for certain areas such as related party transactions, including Directors' remuneration.	We determined a lower level of specific materiality for certain areas such as related party transactions, including Directors' remuneration.
Communication of misstatements to the Audit committee	£8,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£5,200 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.



An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the Group's business, its environment and risk profile. We considered material components using Group materiality and our scope included the following:

- Obtaining an understanding of the Group's internal control environment by performing process walkthroughs and documenting the controls covering all of the key audit matters;
- Performing a full scope audit of the financial statements of the Parent Company Thruvision Group plc, which includes 100% of the Group's investments;
- Performing a full scope audit of the financial information of Thruvision Limited, the main trading entity;
- Performing specified procedures covering Thruvision Inc., a subsidiary incorporated in the United States, most specifically over revenue; and
- Our full scope and specified audit procedures covered 100% of the revenue recognised, 100% of the loss recognised and 100% of the assets held.

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 this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

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

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

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 31, 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 Group's and the Parent 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 Group or the Parent 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Mark Bishop FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford

5 June 2020

Consolidated income statement
for the year ended 31 March 2020

	Notes	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Continuing operations			
Revenue	2	**8,002**	5,981
Cost of sales		**(4,242)**	(3,654)
Gross profit		**3,760**	2,327
Administration costs		**(5,489)**	(4,440)
Other income		**–**	5
Operating loss	3	**(1,729)**	(2,108)
Finance income	6	**253**	78
Finance costs	7	**(26)**	(30)
Loss before tax		**(1,502)**	(2,060)
Income tax	8	**223**	23
Loss for the year from continuing operations		**(1,279)**	(2,037)
Discontinued operations			
Profit/(loss) from discontinued operation after tax	24	**189**	(233)
Loss for the year		**(1,090)**	(2,270)

Adjusted loss:	4		
Loss before tax from continuing operations		**(1,502)**	(2,060)
Share-based payment	4	**297**	207
Share buyback costs	4	**–**	119
Adjusted loss before tax for the year from continuing operations		**(1,205)**	(1,734)

Loss per share – continuing operations			
Loss per share – basic	9	**(0.88p)**	(1.33p)
Loss per share – diluted	9	**(0.88p)**	(1.33p)
Loss per share – continuing and discontinued operations			
Loss per share – basic	9	**(0.75p)**	(1.49p)
Loss per share – diluted	9	**(0.75p)**	(1.49p)

Consolidated statement of comprehensive income
for the year ended 31 March 2020

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Loss for the year from continuing operations	**(1,279)**	(2,037)
Profit/(loss) for the year from discontinued operations	**189**	(233)
Loss for the year attributable to owners of the parent	**(1,090)**	(2,270)
Other comprehensive income/(loss) from continuing operations		
Exchange differences on retranslation of foreign operations – continuing	**101**	6
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**101**	6
Total comprehensive loss attributable to owners of the parent	**(989)**	(2,264)

Consolidated statement of financial position
at 31 March 2020

	Notes	31 March 2020 £'000	31 March 2019 £'000
Assets			
Non current assets			
Property, plant and equipment	10	**1,238**	760
Intangible assets	11	**62**	7
		1,300	767
Current assets			
Inventories	12	**3,671**	3,349
Trade and other receivables	13	**2,221**	2,690
Derivative financial instrument	18	**203**	–
Current tax recoverable		**296**	114
Cash and cash equivalents	14	**8,431**	9,375
		14,822	15,528
Total assets		**16,122**	16,295
Equity and liabilities			
Attributable to owners of the parent			
Equity share capital	16	**1,455**	1,618
Share premium		**–**	–
Capital redemption reserve		**163**	–
Translation reserve		**115**	14
Retained earnings		**11,652**	12,445
Total equity		**13,385**	14,077
Non current liabilities			
Other payables	19	**305**	–
Provisions	20	**38**	38
		343	38
Current liabilities			
Trade and other payables	15	**2,394**	2,180
Total liabilities		**2,737**	2,218
Total equity and liabilities		**16,122**	16,295

The financial statements on pages 37 to 69 were approved by the Board of Directors on 5 June 2020 and were signed on its behalf by:

Tom Black
Chairman

Adrian Crockett
Finance Director

Consolidated statement of changes in equity
for the year ended 31 March 2020

	Ordinary share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
At 31 March 2018	1,814	109,078	4,786	8	(96,207)	19,479
Capital redemption	–	(109,078)	(4,786)	–	113,864	–
Share buyback	(196)	–	–	–	(3,149)	(3,345)
Share-based payment credit	–	–	–	–	207	207
Transactions with Shareholders	(196)	(109,078)	(4,786)	–	110,922	(3,138)
Gain/(loss) for the year	–	–	–	–	(2,270)	(2,270)
Other comprehensive gain/(loss)	–	–	–	6	–	6
Total comprehensive gain/(loss)	–	–	–	6	(2,270)	(2,264)
At 31 March 2019	1,618	–	–	14	12,445	14,077
Cancellation of deferred shares	(163)	–	163	–	–	–
Share-based payment credit	–	–	–	–	297	297
Transactions with Shareholders	(163)	–	163	–	297	297
Gain/(loss) for the year	–	–	–	–	(1,090)	(1,090)
Other comprehensive gain/(loss)	–	–	–	101	–	101
Total comprehensive gain/(loss)	–	–	–	101	(1,090)	(989)
At 31 March 2020	**1,455**	**–**	**163**	**115**	**11,652**	**13,385**

Consolidated statement of cash flows
for the year ended 31 March 2020

	Note	**Year ended 31 March 2020 £'000**	Year ended 31 March 2019 £'000
Operating activities			
Loss before tax from continuing operations		**(1,502)**	(2,060)
Profit/(loss) before tax from discontinued operations		**189**	(233)
Loss before tax		**(1,313)**	(2,293)
Non-cash adjustment to reconcile loss before tax to net cash flows			
Depreciation of property, plant and equipment	10	**444**	179
Amortisation of intangible assets	11	**7**	2
Leasing obligation repayments (previously in administration costs)		**(186)**	–
Share-based payment transaction expense	17	**297**	207
Unrealised gains on foreign exchange		**48**	(25)
Disposal of fixed assets		**42**	28
Finance income	6	**(50)**	(78)
Finance costs	7	**26**	30
Working capital adjustments:			
Increase in trade and other receivables		**(21)**	(1,724)
Increase in inventories		**(322)**	(1,536)
Increase in trade and other payables		**(123)**	545
Increase in deferred revenue		**185**	156
Decrease in provisions		**–**	(27)
Cash utilised in operations		**(966)**	(4,536)
Net tax receipts		**56**	–
Net cash flow from operating activities		**(910)**	(4,536)
Investing activities			
Purchase of property, plant & equipment		**(340)**	(579)
Expenditure on intangible assets		**(62)**	(7)
Interest received	6	**50**	78
Deferred consideration from disposal of Video Business		**265**	182
Net cash flow from investing activities		**(87)**	(326)
Financing activities			
Share buyback – reduction in share capital	16	**–**	(3,345)
Net cash flow from financing activities		**–**	(3,345)
Net (decrease)/increase in cash and cash equivalents		**(997)**	(8,207)
Cash and cash equivalents at the beginning of the year		**9,375**	17,587
Effect of foreign exchange rate changes on cash and cash equivalents		**53**	(5)
Cash and cash equivalents at end of year		**8,431**	9,375

Notes to the financial information

1. Accounting policies

1. Basis of preparation
The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union as they apply to the financial statements of the Group for the year ended 31 March 2020 and applied in accordance with the Companies Act 2006.

The Financial Statements were authorised for issue by the Board of Directors on 5 June 2020 and the Statement of Financial Position was signed on the Board's behalf by Tom Black and Adrian Crockett.

All values are rounded to £'000 except where otherwise stated.

The Company is a public limited company incorporated and domiciled in England and Wales and whose shares are quoted on AIM, a market operated by the London Stock Exchange.

The consolidated financial statements have been prepared on a historical cost basis, except:

- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2. Accounting policies
The accounting policies which apply in preparing the financial statements for the period are set out below. These policies have been consistently applied to all periods presented in these consolidated financial statements.

3. Basis of measurement
Going concern
The Group's loss before tax from continuing operations for the period was £1.5 million (2019: £2.1 million). As at 31 March 2020 the Group had net current assets of £12.3 million (31 March 2019: £13.3 million) and net cash reserves of £8.4 million (31 March 2019: £9.4 million).

The Board has reviewed various cash flow forecast scenario for the period up to and including 30 June 2021 all of which show a positive cash position and no need for the Group to take on any debt. In addition to this the Board reviewed cash forecasts in March assuming the worst-case scenario where no sales were made for twelve months, with stock purchases dramatically reduced to only committed orders, and other worst-case scenarios including trade receivables recoverability. These forecasts, updated for events occurring since the year end, showed that the Group would still have £3m cash at 30 June 2021. Following from this forecast, further sales as well as cash has been received, meaning that this worst-case scenario is no longer plausible. These forecasts and projections take into account the potential impact that the Covid-19 pandemic may have for at least the next six to twelve months of trading performance and show that the Group will be able to operate within the level of current funding resources. The Directors therefore believe there is sufficient cash available to the Group to manage through these requirements.

As with all businesses, there are particular times of the year where the Group's working capital requirements are at their peak. The Group is well placed to manage business risk effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed.

The Directors therefore are satisfied that the Group has adequate resources to continue operating for a period of at least 12 months from the approval of these accounts. For this reason, they have adopted the going concern basis in preparing the financial statements.

4. Basis of consolidation
The consolidated financial statements for the year include those of Thruvision Group plc and all of its subsidiary undertakings (together 'the Group') drawn up at 31 March 2020.

Subsidiary undertakings are those entities controlled directly or indirectly by the Company. Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Assets, liabilities, revenue and costs of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries are consolidated using the Group's accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale (see note 24), if earlier. When an operation is classified as a discontinued operation, the comparative income is re-presented as if the operation had been discontinued from the start of the comparative year.

1. Accounting policies continued

5. Critical accounting estimates and judgements
In preparing the consolidated financial statements, management has to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. The critical judgements and estimates made in preparing the consolidated financial statements are detailed below. These judgements and estimates involve assumptions in respect of future events which can vary from what is anticipated.

5.1 IFRS 15 Revenue from Contracts with Customers
There were a few instances of sales made in the year where goods and services were bundled together when quoted to a customer. Under IFRS 15, the revenue attributable to each separate deliverable was assessed internally and apportioned between each performance obligation at the rate the Group expects to be entitled in exchange of the goods and services. Revenue is either recognised in the month the goods or service are delivered, or over a period in the case of extended warranty revenue. The Group also completed one long-term development contract in the year, where the revenue had been recognised by separating out the key deliverables on the contract.

No IFRS 15 revenue adjustments were necessary in relation to discounts, rebates, incentives, penalties or similar offerings. The Group's business model either does not involve these sorts of items, or, as in the case of discounts, they are applied principally at the point of delivery and therefore already form part of the amount we recognise as revenue under the current accounting standard.

5.2 Revenue and profit recognition
Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services, based on delivery of goods or services provided to customers, excluding sales taxes and discounts. Interest income is recognised in the consolidated income statement as it accrues, using the effective interest method.

5.3 Inventories
In recognising the net realisable values of inventories, Management utilises the most reliable information available at each reporting date. The future realisation of these inventories may be impacted by future developments in technologies or other market and industry driven changes that may reduce future selling prices. Management review inventories bi-annually, identifying where necessary allowances for obsolete, slow moving or defective inventories. The carrying balance of inventories as at 31 March 2020 is detailed in note 12.

5.4 IFRS 9 Financial Instruments
The Group will occasionally enter into foreign exchange contracts for trading purposes due to the majority of our cash outflows being in Sterling, with a significant amount of revenue being transacted in USD. These will include swaps and forward rate agreements with the risks associated with these instruments being regularly monitored. The fair value of a derivative financial instrument represents the present value of positive or negative cash flows which would have occurred had the rights and obligations arising from that instrument been closed out by the Group in an orderly market transaction at balance sheet date.

5.5 Income taxes
In recognising deferred tax assets, management make estimates of the forecast future profitability of entities within the Group and the likely certainty that these forecasts will be achieved. Where the final outcome of such matters is different, or expected to be different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the period in which such determination is made. The carrying value of deferred tax is disclosed in note 8.

5.6 Trade receivables
Given the small number of individual trade receivables balances at any given time during the year, the 'expected credit loss' model is considered for each separate balance due when determining whether any impairment to the balance receivable is necessary. Note 13 provides disclosures with respect to the carrying values of Accounts Receivable with no impairment to this balance being considered necessary.

6. Business combinations and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Payments made that are contingent on the vendors continuing to be employed by the Group are treated as remuneration and recognised within the administration cost line in the income statement. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in the income statement. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

1. Accounting policies continued

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill
In accordance with IFRS 3 'Business Combinations', goodwill arising on the acquisition of subsidiaries is capitalised and included in intangible assets. IFRS 3 also requires the identification of other intangible assets acquired. The method used to value intangible assets is the 'Income Approach'. The Income Approach indicates the fair value of an asset based on the value of the cash flows that the asset might reasonably be expected to generate.

7. Intangible assets
Intangible assets acquired from a business combination are capitalised at fair value as at the date of acquisition and amortised over their estimated useful economic life. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights. The estimated useful lives of the intangible assets are as follows:

Intellectual property and Software – three to five years;

Patents and trademarks – five years.

Amortisation is charged to administration expenses in the Consolidated Income Statement on a straight-line basis.

The carrying value of other intangible assets is reviewed for impairment when events or changes in circumstance indicate that it may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is estimated to be the higher of the other intangible assets fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets of groups of assets. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which it belongs.

8. Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes.

Revenue from the sale of products is recognised when the risks and rewards of ownership are transferred to the customer, which is usually at the point at which goods are delivered to the customer. Where units are sold Ex-works (Incoterms 2010) the revenue is recognised when the units are made available for collection. These costs are invoiced with the items only held on premise at the customer's request. Revenue would not be recognised if the period the units were held onsite on behalf of the customer resulted in significant delays (defined as six months or greater). Development revenue recognised on research and development contracts is recognised over time as work is completed as explained below.

Revenue arrangements may include the sale of products together with installation and/or on-going support services. Where the commercial substance of such a combination is that the individual components operate independently of each other and fair values can be attributed to each of the components, each are then recognised in accordance with their respective policies.

Revenue from support contracts is spread evenly over the period of the support contract.

Revenue derived from services billed to customers on a time and materials or fixed-price basis represents the value of work completed, including attributable profit, based on the stage of completion achieved on each project. For time and materials projects, revenue is recognised as services are performed. For fixed-price projects, revenue is recognised according to the stage of completion which is determined using the percentage-of-completion method based on the Directors' assessment of progress against key project milestones and risks, and the ratio of costs incurred to total estimated project costs. The cumulative impact of any revisions to the estimate of percentage-of-completion of any fixed-price contracts is reflected in the period in which such impact becomes known.

1. Accounting policies continued

Revenue is presented as the gross amount billed to a customer where it is earned from revenue from the sale of goods or services as principal. Revenue is presented as the net amount retained where it is earned through a commission or fee.

9. Accrued revenue

Accrued revenue represents revenue recognised to date less amounts invoiced to customers. Full provision is made for known or anticipated project losses.

10. Trade and other receivables

Trade receivables are recognised and measured at their original invoiced amount less provision for any uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off to the income statement when they are identified. Financial assets are initially measured at fair value and subsequently at amortised cost.

11. Provisions

Provisions are recognised in the statement of financial position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation; discounting at a pre-tax discount rate when the time value of money is material. Onerous contract provisions are recognised for unavoidable costs of meeting the obligations under a contract that exceed the economic benefits expected to be received under it.

12. Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position's date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position's date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Group to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

13. Equity

Equity comprises the following:

- Share capital represented the nominal value of equity shares.
- Share premium represented the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- The Capital redemption reserve represents a historic balance transferred from deferred shares which failed to vest. These shares were cancelled on 25 September 2019 following shareholder approval.
- The Translation reserve represents the impact of currency translation on the foreign currency net investment in Thruvision Inc.
- Retained Earnings represents the cumulative total profit or loss attributable to Shareholders, excluding those items recognised in other reserves.

1. Accounting policies continued

Rights, preferences and restrictions attached to ordinary shares are as follows:

The holders of Ordinary Shares are entitled to receive the Company's reports and accounts; to attend and speak at general meetings of the Company; to appoint proxies; and to exercise voting rights. To be effective, electronic and paper proxy appointments and voting instructions must be received at the Company's registered office, or such other place in the UK specified in the relevant notice of meeting, not later than 48 hours before a general meeting. Subject to applicable statutes, there are no restrictions on transfer or limitations on the holding of Ordinary Shares and no requirements for prior approval of any transfers other than:

- certain restrictions may from time to time be imposed by laws and regulations (for example insider trading laws); and
- pursuant to the Company's Share dealing code whereby the Directors and certain senior employees of the Company require approval to deal in the Company's Shares.

None of the Shares carry any special rights with regard to control of the Company. There are no known arrangements under which financial rights are held by a person other than the holder of the Shares and no known agreements on restrictions on Share transfers or on voting rights.

14. Research and development costs
Research expenditure is charged to the income statement in the year in which it is incurred.

Expenditure incurred in the development of software and hardware products for use or sale by the business, and their related intellectual property rights, is capitalised as an intangible asset only when:

- technical feasibility has been demonstrated;
- adequate technical, financial and other resources exist to complete the development, which the Group intends to complete and use;
- future economic benefits expected to arise are deemed probable; and
- the costs can be reliably measured.

Development costs not meeting these criteria are expensed in the income statement as incurred. When capitalised, development costs are amortised on a straight-line basis over their useful economic lives once the related software and hardware products are available to use. During the period of development the asset is tested for impairment annually. Development costs with a value of £nil (2019: £nil) have been capitalised in the period (see note 11).

15. Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for any long-term construction projects if the recognition criteria are met. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. All other repair and maintenance costs are recognised in administration expenses within the Income Statement as these costs are incurred. Depreciation is charged on the following bases to reduce the cost of the Company's property, plant, and equipment to their residual values over their expected useful lives at the following rates:

Leasehold improvements – 20% to 33% straight line;

Right of Use assets – over the life of the lease (typically 25% to 33% straight line)

Office furniture and equipment – 20% straight line;

Computers, ancillary equipment and electronic test equipment – 33% straight line;

Motor vehicles – 25% straight line;

Demonstration stock – 20% to 50% straight line; and

Plant and Equipment – 20% to 33% straight line

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may be impaired.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1. Accounting policies continued

16. Inventories
Inventories are valued at the lower of cost and net realisable value on a first-in first-out basis. In the case of finished goods, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, an appropriate allowance is made for obsolete, slow-moving and defective inventories. In certain instances stock items are used for demonstration purposes, in this case the stock item is classified as a fixed asset and depreciated in line with the Group depreciation policy.

17. Trade and other payables
Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, they are measured at amortised cost.

18. Cash equivalents
Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

19. Financial instruments
19.1 Recognition and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

19.2 Classification and initial measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Group did not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the Group's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within administration costs.

19.3 Subsequent measurement of financial assets
i) Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

ii) Financial assets at fair value through profit or loss (FVTPL)
Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments. Hedge accounting requirements would apply in this instance, although the Group did not enter into any financial hedges during the year and has no plans to do so in the future.

1. Accounting policies continued

ii) Financial assets at fair value through other comprehensive income (FVOCI)
The Group accounts for financial assets at FVOCI if the assets meet both of the following conditions:

- they are held under a business model whose objective it is 'hold to collect' the associated cash flows and sell
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

19.4 Impairment of financial assets
IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaced IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of each instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

19.5 Trade and other receivables and contract assets
The Group assesses each trade receivable individually in making its judgement as to whether any impairment to the expected amount receivable is necessary, given the number of sales recorded. The Group make use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

19.6 Classification and measurement of financial liabilities
The Group's financial liabilities include trade and other payables and derivative financial instruments. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

19.7 Derivative financial instruments and hedge accounting
The Group applied the new hedge accounting requirements in IFRS 9 prospectively, however hedge accounting is not relevant to the Group as it has not carried out any hedge accounting trades.

20. Foreign currency translation
The Group's consolidated financial statements are presented in Sterling, which is also the Parent Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

1. Accounting policies continued

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the statement of financial position's date. All differences are taken to the income statement, except when hedge accounting is applied and for differences on monetary assets and liabilities that form part of the Group's net investment in a foreign operation. These are taken to other comprehensive income until the disposal of the net investment, at which time they are reclassified from equity to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

The assets and liabilities of foreign operations are translated into Sterling at the rate of exchange ruling at the statement of financial position's date. Income and expenses are translated using actual daily rates. The resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

As the Group has an operating subsidiary in the US, and approximately 70% (2019: 70%) of Group revenue was invoiced in currencies other than Sterling, predominantly USD, the Group is subject to foreign currency exchange gains and losses.

The USD/sterling exchange rates used in the Interim Financial Statements and the prior reporting period are as follows:

	2020 **£'000**	2019 £'000
Average exchange rate for the period	**1.272**	1.317
Exchange rate at the period end	**1.241**	1.304

21. Retirement benefits

The Group operates a Group defined contribution personal pension plan for certain employees. Pension costs are calculated annually and charged to the income statement as they arise.

22. Share-based payments

22.1 The following share option schemes are relevant and the Share Option charge for the year is based on options granted under these:

a) Long Term Incentive Plan

Historically certain employees of the Group have received remuneration in the form of awards under a Long-Term Incentive Plan ('LTIP') in the form of nil-cost options and HMRC Approved Options. The Group combined Parallel Options at nil-cost with HMRC Approved Options so that the value awarded to employees is not more than a Top-Up Award.

All awards made under the LTIP prior to 31 October 2017 in the form of nil-cost options and HMRC Approved Options have lapsed. At 31 March 2020 nil (2019: 25,541) LTIP awards were outstanding. These lapsed in July 2019.

All awards made under the LTIP after 1 November 2017 are subject to service conditions and performance conditions that relate to revenue (with a profit related underpin) over the subsequent three-year period.

b) Enterprise Management Incentive Scheme

Certain employees of the Group receive remuneration in the form of share options under an Enterprise Management Incentive Scheme ('EMI'). The first option awards under the scheme were made in the year ended 31 March 2018 and further awards were made in the years ending 31 March 2019 and 31 March 2020.

All awards made under the EMI scheme prior to 31 December 2018 are subject to service conditions.

All awards made after 1 January 2019 under the EMI scheme are subject to service conditions and performance conditions that relate to revenue and profit in the year ended 31 March 2022.

c) Sharesave Scheme

The Group have in place a Thruvision Group Sharesave Scheme, which allows eligible employees to use regular savings to purchase shares. Options are granted at a discount of 20% of the market value of the shares. No financial performance criteria are attached to these options and they vest three years from the date of grant with an exercise period of six months. There are no cash settlement alternatives. The fair value is determined using the Black-Scholes model.

d) Unapproved Share Option Scheme

Certain employees of the Group receive remuneration in the form of share options under an Unapproved Share Option Scheme including awards to overseas employees. The first option awards under the scheme were made in the year ended 31 March 2018 and further awards were made in the year ending 31 March 2019.

1. Accounting policies continued

All awards made prior to 31 December 2018 under the Unapproved Share Option Scheme are subject to service conditions. All awards made after 1 January 2019 under the Unapproved Share Option Scheme are subject to service conditions and performance conditions that relate to revenue and profit in the year ended 31 March 2022.

22.2 Valuation and measurement of share-based payments relevant to all classes of share options
The total amount to be expensed over the vesting period of the awards is determined by reference to the fair value at the date on which the awards or options are granted and the number of awards that are expected to vest. The fair value is determined using the Black-Scholes model. Expected volatility was determined taking into account historic volatility of the Group's share price and the volatility of similar companies' share price, with the specific assumptions explained in more detail in note 17 on page 62. The number of awards expected to vest are adjusted to reflect the extent to which non-market performance and service conditions are expected to be satisfied, based on conditions prevailing at each statement of financial position's date and up to the date of vesting. At the vesting date, the cumulative expense recognised in the income statement is adjusted to take account of the number of awards and options that actually vest on the above basis. Parallel Options are valued at the difference between the value of a Top-Up Award and an HMRC Approved Option. At the date of grant, it was assumed that the non-market performance conditions would be met.

22.3 Employee Benefit Trust
The Thruvision Group plc Employee Benefit Trust (the 'Trust') has the ability to purchase and holds Ordinary Shares of the Company in connection with employee share schemes. To date the Trust has never acquired shares in Thruvision Group plc and hence is not included in the Group's financial statements. Any consideration paid or received by the Trust for the purchase or sale of the Company's own shares is shown as a movement in Shareholders' equity.

23. IFRS 16 Leases – relevant from 1 April 2019 onwards
The Group adopted IFRS 16 in the current year as of 1 April 2019.

As permitted by the standard the Group has applied IFRS 16 on a modified retrospective basis without restating prior years. The Group has elected to take advantage of the following transition options on transition at 1 April 2019:

- apply IFRS 16 to contracts previously identified as leases by IAS 17
- calculate the right of use asset equal to the lease liability, adjusted for prepaid or accrued payments, and
- use the incremental borrowing rate as the discount rate for property leases

The impact of adopting IFRS 16 on 1 April 2019 resulted in an increase in right of use assets of £600k, and an increase in lease liabilities of £600k. As at 31 March 2020 the NBV value of right of use assets within Fixed assets was £461k with a corresponding liability of £457k as per note 19.

The adoption of IFRS 16 has also had a timing effect on how we have recognised the cost of leases in our income statement which has resulted in FY20 costs not being directly comparable to FY19.

IFRS 16 has also have a timing effect on the annual lease expense, which will no longer be equal to the rent paid for that year. This has meant that the lease costs recorded in our income statement is not directly comparable between FY19 and FY20. We are now required to treat leases in a similar way to borrowings and have calculated a notional interest charge on the overall lease liability. This notional interest has been calculated in a similar way to that in which interest is charged on a loan. More interest will be charged in the early periods of each lease and less interest will be charged on the later payments.

The overall annual rental payment in the earlier years of a lease are higher than the annual rental payment in the later years of a lease. Over the course of a lease, the total amounts of interest and capital repayments charged to the income statement will still be equal to the total rental payments under the lease, as they are at present. However, there will inevitably be some timing effect which will depend on the maturity profile and the length of leases which we have at any one time.

We lease our factory and office properties in the UK and US, as well as other assets such as vans and cars. Under the previous leasing standard, these leases were classified as operating leases. This means that they were not represented on the balance sheet in FY19, and that rent payments were charged to the income statement on a straight-line basis over the course of the lease in FY19. The amount of our future operating lease commitments in FY20 are disclosed in note 19, and our annual lease payments in FY19 are shown in note 3.

24. Operating Leases – relevant to the year ended 31 March 2019 only
Leases in which a significant proportion of the risk and rewards of ownership are retained by the lessor were classified as operating leases for the year ended 31 March 2020. Operating lease rentals payable or receivable were charged or credited to the income statement on a straight-line basis over the lease term.

25. Accounting developments
There are no other IFRSs or IFRIC standards, amendments or interpretations that are not yet effective that would be expected to have a material impact on the Group.

2. Segmental information

The Directors do not split the business into segments in order to internally analyse the business performance and as a result the results of the business are only presented below as continuing and discontinued. The Directors believe that allocating overheads by department provides a suitable level of business insight. The overhead department cost centres comprise of:

- engineering (manufacturing and R&D)
- sales and marketing
- property and administration
- management
- plc costs

with the split of costs as shown in the Strategic report on page 6.

Following its disposal on 31 October 2017 the Video Business has been reported as a discontinued operation. The profit disclosed this year within discontinued operations includes further amounts due on deferred consideration as part of the Share Purchase Agreement on the sale of the Video Business. Further details are provided on page 68 in note 24.

In accordance with IFRS 8, the Group has derived the information for its operating segments using the information used by the Chief Operating Decision Maker and supplemented this with additional analysis to assist readers of the Annual Report to better understand the impact of the Group's current trading performance. The Group has identified the Board of Directors as the Chief Operating Decision Maker as it is responsible for the allocation of resources to operating segments and assessing their performance.

Year ended 31 March 2020	Video Business Discontinued £'000	Thruvision Continuing £'000	Total £'000
Revenue	–	8,002	8,002
Depreciation and amortisation	–	(451)	(451)
Segment adjusted operating profit/(loss)	189	(1,432)	(1,243)
Share based payment charge	–	(297)	(297)
Segment operating profit/(loss)	189	(1,729)	(1,540)
Finance income	–	253	253
Finance costs	–	(26)	(26)
Segment profit/(loss) before tax	189	(1,502)	(1,313)
Income tax (charge)/credit	–	223	223
Profit/(loss) for the year from continuing operations	189	(1,279)	(1,090)

Year ended 31 March 2019	Video Business Discontinued £'000	Thruvision Continuing £'000	Total £'000
Revenue	–	5,981	5,981
Depreciation and amortisation	–	(181)	(181)
Segment adjusted operating (loss)	(233)	(1,901)	(2,134)
Share based payment charge	–	(207)	(207)
Segment operating (loss)	(233)	(2,108)	(2,341)
Finance income	–	78	78
Finance costs	–	(30)	(30)
Segment (loss) before tax	(233)	(2,060)	(2,293)
Income tax (charge)/credit	–	23	23
Loss for the year from continuing operations	(233)	(2,037)	(2,270)

Analysis of revenue by customer

There have been five (2019: two) individually material customers (comprising over 10% of total revenue) in the year.
These customers individually represented £2,227,000, £1,397,000, £1,359,000, £965,000 and £897,000 of revenue for the year (2019: £2,310,000 and £808,000).

Other segment information

The following tables provides disclosure of the Group's continuing and discontinued revenue analysed by geographical market based on the location of the customer.

2. Segmental information continued

The Group's Revenue by geographical area are detailed below:

	2020 £'000	2019 £'000
UK and Europe	**1,234**	1,338
Americas	**4,311**	975
Asia-Pacific	**2,430**	3,640
Middle East and Africa	**27**	28
	8,002	5,981

The Group's non-current assets by geography are detailed below:

	2020 £'000	2019 £'000
United Kingdom	**1,127**	737
United States of America	**173**	30
	1,300	767

3. Group operating loss

The Group operating loss attributable to continuing operations is stated after charging/(crediting):

	2020 £'000	2019 £'000
Operating lease rentals – land and buildings*	**–**	152
Research and development costs	**549**	429
Bad debt expense	**–**	12
Depreciation of property, plant and equipment	**444**	179
Amortisation of intangible assets initially recognised on acquisition	**7**	2
Exchange gains	**(88)**	(163)

* Due to a change in accounting policy effective 1 April 2019, property and motor vehicle long term leases are accounted for under IFRS 16 Leases. See note 19 for further details.

Auditors' remuneration
The following table shows an analysis of all fees payable to Grant Thornton UK LLP, the Group's auditors:

	2020 £'000	2019 £'000
Audit services		
Fees payable to the Company's auditor for the audit of the financial statements	**37**	42
The audit of the Company's subsidiaries	**20**	17
	57	59
Non-audit services		
Tax advisory services	**19**	61
Other non-audit services	**7**	9
	26	70

Fees relate to all activities undertaken by Grant Thornton UK LLP (2019: Grant Thornton UK LLP) in the period, covering continuing and discontinued operations.

4. Adjusted loss before tax

An adjusted loss before tax measure has been presented as the Directors believe that this is a better measure of the Group's underlying performance. Adjusted loss is not defined under IFRS and has been shown as the Directors consider this to be helpful for a better understanding of the performance of the Group's underlying business. It may not be comparable with similarly titled measurements reported by other companies and is not intended to be a substitute for, or superior to, IFRS measures of profit. The net adjustments to loss before tax from continuing operations are summarised below:

	2020 £'000	2019 £'000
Share based payment [(i)]	**297**	207
Share buyback costs [(ii)]	**–**	119
Total adjustments	**297**	326

(i) The performance condition associated with LTIP awards made in January 2019 are subject to a non-market based performance measure. Accordingly, should these LTIP awards fail to vest, the share based payment charge will be added back to the income statement. To date the majority of historic LTIP awards have failed to vest. The inclusion provides consistency over time allowing a better understanding of the financial position of the Group.

(ii) Share buyback costs incurred represent additional legal and professional fees incurred as a result of the share buyback carried out in August 2018.

5. Employees

The average number of employees during the period and the number at the end of the period were as follows:

	Average 2020	**At 31 March 2020**	Average 2019	At 31 March 2019
Directors	**4**	**4**	4	4
Business units	**30**	**28**	21	25
Corporate	**5**	**5**	4	5
	39	**37**	29	34

The employee benefit expense for the period of these employees amounted to:

	2020 £'000	2019 £'000
Salaries and short-term employee benefits	**2,787**	2,103
Social security costs	**281**	233
Pension costs	**65**	30
Share-based payments (note 17)	**297**	207
	3,430	2,573

6. Finance income

	2020 £'000	2019 £'000
Gain on forward contract measured at fair value through income statement	**203**	–
Bank interest receivable	**50**	78
	253	78

7. Finance costs

	2020 £'000	2019 £'000
Finance costs on leases accounted under IFRS 16	**26**	–
Loss on forward contract measured at fair value through income statement	**–**	30
	26	30

8. Income Tax

	2020 £'000	2019 £'000
Current tax		
Corporation tax	**(116)**	(61)
Adjustment in respect of prior year	**(118)**	34
Overseas tax	**11**	4
	(223)	(23)
Deferred tax		
Origination and reversal of temporary differences	**–**	–
Adjustment in respect of prior year	**–**	–
Total tax credit for the year	**(223)**	(23)

The tax credit for the year is lower than the standard rate of corporation tax in the UK applied to the loss before tax.

The differences are explained below:

	2020 £'000	2019 £'000
Loss before tax – continuing operations	**(1,502)**	(2,060)
Profit/(loss) before tax – discontinued operations	**189**	(233)
Loss for the period before tax	**(1,313)**	(2,293)
Tax at the UK corporation tax rate of 19% (2019: 19%)	**(249)**	(436)
Tax effects of:		
Prior year adjustments	**(118)**	34
Expenses not deductible for tax purposes	**135**	84
Income not taxable	**(5)**	62
Taxation adjustments relating to foreign earnings	**19**	–
Unrecognised deferred tax movements on depreciation in excess of capital allowances, share-based payments and short term timing differences	**(21)**	10
Unrecognised deferred tax on unrelieved tax losses	**126**	310
Difference in foreign tax rate	**7**	1
Impact on research and development credits	**(117)**	(88)
Total tax (credit) for the period	**(223)**	(23)

Deferred tax included in the statement of financial position is as follows:

	2020 £'000	2019 £'000
At beginning of the year	**–**	–
Origination and reversal of temporary differences	**–**	–
At end of the year	**–**	–

Unrecognised deferred tax assets

	2020 £'000	2019 £'000
Fixed assets	**22**	79
Temporary differences	**153**	143
Tax losses	**2,188**	1,849
	2,363	2,071

Unrelieved tax losses amount to approximately £11.5 million (2019: £10.5 million), which are available indefinitely for offset against future taxable trading profits. The final losses as at 31 March 2020 will be determined after the Group Companies have filed the relevant tax returns. Tax losses are dependent on warrants and conditions included within the Share Purchase Agreement for the disposal of the Video Business. There are no current claims under these terms at the time the financial statements are signed. A deferred tax asset has not been recognised on £11.5 million (2019: £10.8 million) of these losses on the basis that there is insufficient evidence that this asset will be recoverable as at the statement of financial position's date. An asset will only be recognised with improved certainty and quantification of taxable profits.

9. Loss per share

Unadjusted loss per share

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Loss from continuing operations attributable to ordinary Shareholders	**(1,279)**	(2,037)
Loss from continuing and discontinued operations attributable to ordinary Shareholders	**(1,090)**	(2,270)
Weighted average number of shares	**145,454,118**	152,839,321
Basic and diluted loss per share – continuing operations	**(0.88p)**	(1.33p)
Basic and diluted loss per share – continuing and discontinued operations	**(0.75p)**	(1.49p)

Adjusted loss per share

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Loss from continuing operations attributable to ordinary Shareholders	**(1,279)**	(2,037)
Share-based payment	**297**	207
Financing set up fees	**–**	119
Adjusted (loss)/profit after tax	**(982)**	(1,711)
Weighted average number of shares	**145,454,118**	152,839,321
Basic and diluted loss per share	**(0.88p)**	(1.33p)
Basic and diluted adjusted (loss)/profit per share	**(0.68p)**	(1.12p)

The inclusion of potential Ordinary Shares arising from LTIPs, EMI Options and Incentive Shares would be anti-dilutive. Basic and diluted loss per share has therefore been calculated using the same weighted number of shares. Ordinary Shares would have been issued in respect of the Incentive Share conversion. Full details of the basis of calculation is given in the Admission Document available on the Company's website. The Incentive Shares will immediately vest on change of control of the Company.

10. Property, plant and equipment

	Leasehold improvements £'000	Right of use (see note 19) £'000	Office furniture and equipment £'000	Computers, ancillary equipment and electronic test equipment £'000	Motor Vehicles £'000	Demonstration stock £'000	Plant & Equipment £'000	Total £'000
Cost								
At 1 April 2018	454	–	39	17	24	352	68	954
Additions	197	–	22	89	–	213	58	579
Assets under construction	–	–	–	–	–	109	–	109
Disposals	–	–	–	–	–	(54)	–	(54)
Exchange movements	–	–	–	–	2	–	–	2
At 31 March 2019	651	–	61	106	26	620	126	1,590
Adjustment on transition to IFRS 16	–	600	–	–	–	–	–	600
Additions	15	23	3	30	–	230	53	354
Assets under construction	–	–	–	–	–	9	–	109
Disposals	–	(11)	–	(1)	–	(75)	–	(87)
Exchange movements	2	–	(1)	(1)	2	–	–	2
At 31 March 2020	**668**	**612**	**63**	**134**	**28**	**784**	**179**	**2,468**
Accumulated depreciation								
At 1 April 2018	277	–	37	11	4	297	50	676
Charge for the year	68	–	3	11	9	78	10	179
Disposals	–	–	–	–	–	(25)	–	(25)
Exchange movements	–	–	–	–	–	–	–	–
At 31 March 2019	345	–	40	22	13	350	60	830
Charge for the year	112	158	5	32	8	109	20	444
Disposals	–	(5)	–	(1)	–	(36)	–	(42)
Exchange movements	–	(2)	–	–	–	–	–	(2)
At 31 March 2020	**457**	**151**	**45**	**53**	**21**	**423**	**80**	**1,230**
Net book value								
At 31 March 2020	**211**	**461**	**18**	**81**	**7**	**361**	**99**	**1,238**
At 31 March 2019	306	–	21	84	13	270	66	760

11. Intangible assets

	Patents and Trademarks £'000	Intellectual property & Software £'000	Total £'000
Cost			
At 1 April 2018	–	56	56
Purchased	7	–	7
At 31 March 2019	7	56	63
Purchased	–	62	62
Disposals	–	(14)	(14)
At 31 March 2020	**7**	**104**	**111**
Accumulated amortisation			–
At 1 April 2018	–	54	54
Charge for the year	1	1	2
At 31 March 2019	1	55	56
Charge for the year	1	6	7
Disposals	–	(14)	(14)
At 31 March 2020	**2**	**47**	**49**
Net book value			
At 31 March 2020	**5**	**57**	**62**
At 31 March 2019	6	1	7

12. Inventories

	2020 £'000	2019 £'000
Raw materials	**1,344**	1,790
Work in progress	**1,024**	246
Finished goods and goods for resale	**1,303**	1,313
	3,671	3,349

The movement on the inventory provision during the year is set out below.

	2020 £'000	2019 £'000
Opening provision	**319**	348
Released	**(246)**	(54)
Increase to provision from continuing operations (charged to cost of sales during year)	**135**	25
Closing provision	**208**	319

The following amounts of inventory were included in cost of sales as an expense.

	2020 £'000	2019 £'000
Inventories booked to cost of sales	**3,500**	3,186
Increase to inventory provision	**135**	25
Inventory provision released	**(246)**	(54)
	3,389	3,157

13. Trade and other receivables

	Gross carrying amounts 2020 £'000	**Provision for impairment 2020 £'000**	**Net carrying amounts 2020 £'000**	Gross carrying amounts 2019 £'000	Provision for impairment 2019 £'000	Net carrying amounts 2019 £'000
Trade receivables	**2,102**	**–**	**2,102**	2,262	–	2,262
Prepayments	**93**	**–**	**93**	158	–	158
Accrued income	**–**	**–**	**–**	1	–	1
VAT recoverable	**–**	**–**	**–**	87	–	87
Deferred consideration	**–**	**–**	**–**	123	–	123
Other receivables	**26**	**–**	**26**	59	–	59
	2,221	**–**	**2,221**	2,690	–	2,690

Trade receivables

The Group's credit risk on trade and other receivables is primarily attributable to one receivable. One customer represents £1,754,000 of the Group's trade receivables at 31 March 2020 (2019: one customer £1,608,000). There is no other significant concentration of credit risk.

The Group believes that the carrying amounts of the Group's trade receivables by the type of customer gives a fair presentation of the credit quality of the assets:

	2020 £'000	2019 £'000
Government customers	**27**	200
Commercial customers	**2,075**	2,062
	2,102	2,262

The movement in the provision for doubtful debts is as follows:

	2020 £'000	2019 £'000
Brought forward opening provision	**–**	17
Released	**–**	(17)
Carried forward closing provision	**–**	–

Trade receivables, net of an allowance of £nil (2019: £nil) for doubtful debts, are aged as follows:

	2020 £'000	2019 £'000
Within credit terms	**1,907**	2,081
Not more than three months past due	**6**	32
More than three months but not more than six months past due	**21**	147
More than six months past due	**168**	2
	2,102	2,262

14. Cash and cash equivalents

	2020 £'000	2019 £'000
Cash at bank and in hand:		
GBP short term deposits	**4,392**	8,876
USD short term deposits	**4,039**	499
	8,431	9,375

All of the Group's deposits were either available immediately for use or were held on a 31-day or 32-day notice period.

15. Trade and other payables

	2020 £'000	2019 £'000
Current		
Trade payables	**877**	1,240
Accruals	**789**	586
Deferred income	**447**	262
Social security and other taxes	**75**	72
VAT payable	**39**	–
Right of use lease liabilities	**152**	–
Other payables	**15**	20
	2,394	2,180

At 31 March 2020 the amount owing on secured creditors was £nil (31 March 2019: £nil).

16. Share capital

	Number	£'000
Authorised, allotted, called-up and fully paid		
Ordinary Shares of 1 pence each		
At 31 March 2018	165,130,024	1,651
Share buyback[(1)]	(19,675,906)	(196)
At 31 March 2019 and 31 March 2020	**145,454,118**	**1,455**

	Number	£'000
Authorised, allotted, called-up and fully paid		
Deferred Shares of £1 each		
At 31 March 2018 and 31 March 2019	163,124	163
Cancellation of deferred shares[(2)]	(163,124)	(163)
At 31 March 2020	**–**	**–**

	£'000
Total share capital	
At 31 March 2019	1,618
At 31 March 2020	**1,455**

(1) The Board announced on 12 March 2018 to return up to £8.0 million to Shareholders. £3,345k was subsequently returned to Shareholders in August 2018 at 17p per share, with 19,675,906 shares being cancelled.

(2) On 22 February 2010, 217,500 Incentive shares were issued to three Directors. Of these shares 163,124 failed to vest and were converted to deferred shares with nominal value. Following shareholder approval at the 2019 AGM, 163,124 deferred shares were bought back by the Company for total consideration of £3 and subsequently cancelled on 25 September 2019.

17. Employee share schemes

Long Term Incentive Plan
Historically certain employees of the Group have received remuneration in the form of awards under a Long-Term Incentive Plan ('LTIP') in the form of nil-cost options and HMRC Approved Options. The Group combined Parallel Options at nil-cost with HMRC Approved Options so that the value awarded to employees is not more than a Top-Up Award.

At 31 March 2020 nil (2019: 28,541) awards were outstanding. These options lapsed in July 2019.

Enterprise Management Incentive Scheme
Certain employees of the Group receive remuneration in the form of share options under an Enterprise Management Incentive Scheme ('EMI'). The first option awards under the scheme were made in the year ended 31 March 2018 and further awards were made in the year ending 31 March 2019.

All awards made after 1 January 2019 under the EMI scheme are subject to service conditions and performance conditions that relate to revenue and profit in the year ended 31 March 2022.

Sharesave Scheme
The Group have in place a Thruvision Group Sharesave Scheme, which allows eligible employees to use regular savings to purchase shares. Options are granted at a discount of 20% of the market value of the shares. No financial performance criteria are attached to these options and they vest three years from the date of grant with an exercise period of six months. There are no cash settlement alternatives. The fair value is determined using the Black-Scholes model.

Unapproved Share Option Scheme
Certain employees of the Group receive remuneration in the form of share options under an Unapproved Share Option Scheme including awards to overseas employees. The first option awards under the scheme were made in the year ended 31 March 2018 and further awards were made in the year ending 31 March 2019.

All awards made after 1 January 2019 under the Unapproved Share Option Scheme are subject to service conditions and performance conditions that relate to revenue and profit in the year ended 31 March 2022.

Basis of valuation
The basis of valuation of the equity awards for all of the above four Share Option Schemes, to arrive at the Share Based Payment charge, is given in Note 1; Accounting Policies on page 49.

It is the intention of the Group that shares needed to satisfy awards will be purchased in the market to the extent that they are not already held by the Group's employee share trust, unless it is in the interests of the Group to issue new shares.

	HMRC Approved Options		Parallel Options	
	Number of options	Weighted average exercise price £	Number of options	Weighted average exercise price £
Outstanding at 31 March 2018	45,485	0.37	45,485	nil
Forfeited	(41,944)	0.37	(41,944)	nil
Outstanding at 31 March 2019	3,541	0.48	3,541	nil
Forfeited	(3,541)	0.48	(3,451)	nil
Outstanding at 31 March 2020	**nil**	**nil**	**nil**	**nil**
Exercisable at 31 March 2019	nil	nil	nil	nil
Exercisable at 31 March 2020	**nil**	**nil**	**nil**	**nil**

	HMRC Approved Options	Parallel Options
For the year ended 31 March 2020:		
Range of exercise prices	nil	nil
Weighted average remaining contractual life	n/a	n/a
For the period ended 31 March 2019:		
Range of exercise prices	£0.48	nil
Weighted average remaining contractual life	7.33 years	7.33 years

17. Employee share schemes continued

	Top-Up Awards		Sharesave Scheme	
	Number of options	Weighted average exercise price £	Number of options*	Weighted average exercise price £
Outstanding at 31 March 2018	137,499	nil	652,746	0.31
Granted	nil	nil	1,443,600	0.20
Forfeited	(112,499)	nil	(742,746)	0.31
Outstanding at 31 March 2019	25,000	nil	1,353,600	0.20
Granted	nil	nil	410,863	0.2208
Forfeited	(25,000)	nil	(95,608)	0.207
Outstanding at 31 March 2020	**nil**	**nil**	**1,668,855**	**0.205**
Exercisable at 31 March 2019	nil	nil	nil	nil
Exercisable at 31 March 2020	**nil**	**nil**	**nil**	**nil**
For the year ended 31 March 2020:				
Range of exercise prices	nil		0.20 to 0.2208	
Weighted average remaining contractual life	n/a		2.23 years	
For the period ended 31 March 2019:				
Range of exercise prices	nil		0.20	
Weighted average remaining contractual life	7.33 years		2.50 years	

	EMI Options		Unapproved Options	
	Number of options	Weighted average exercise price	Number of options*	Weighted average exercise price £
Outstanding at 31 March 2018	5,025,662	0.148	1,224,513	0.154
Granted	1,298,703	0.264	1,265,185	0.27
Forfeited	(130,000)	0.154	(100,000)	0.154
Outstanding at 31 March 2019	6,194,365	0.175	2,389,698	0.215
Granted	950,000	0.276	1,182,931	0.276
Forfeited	(780,000)	0.166	(125,000)	0.218
Outstanding at 31 March 2020	**6,364,365**	**0.191**	**3,447,629**	**0.234**
Exercisable at 31 March 2019	nil	nil	nil	nil
Exercisable at 31 March 2020	**nil**	**nil**	**nil**	**nil**
For the year ended 31 March 2020:				
Range of exercise prices	£0.1538 to £0.276		£0.1538 to £0.276	
Weighted average remaining contractual life	8.21 years		8.72 years	
For the period ended 31 March 2019:				
Range of exercise prices	£0.1275 to £0.1538		£0.1538	
Weighted average remaining contractual life	9.61 years		9.12 years	

17. Employee share schemes continued

Assumptions used in the valuation of share-based payment charge

The fair value of share awards granted in the period and the assumptions used in the calculation of their fair value on the date of grant were as follows:

	EMI Options 17 January 2018	Unapproved Options 17 January 2018	EMI Options 14 March 2018	EMI Options 28 August 2018	SAYE Options 21 September 2018
Number granted	5,475,662	374,513	400,000	360,000	1,443,600
Fair value per option/award	£0.0690	£0.0690	£0.0596	£0.1347	£0.0946
Share price on date of grant	£0.1538	£0.1538	£0.1275	£0.2675	£0.2225
Exercise price	£0.1538	£0.1538	£0.1275	£0.25	£0.20
Vesting period (years)	3	3	3	3	3
Volatility	44.65%	44.65%	46.38%	48.75%	54.49%
Risk-free rate of return	0.99%	0.99%	1.21%	1.14%	0.89%
Expected life (years)	6.5	6.5	6.5	6.5	3.36
Expected dividend yield	nil	nil	nil	nil	nil

	EMI Options 18 January 2019	Unapproved Options 18 January 2019	Part A Options 18 January 2019	EMI Options 8 October 2019	SAYE Options 30 October 2019
Number granted	938,703	890,185	375,000	2,382,931	410,863
Fair value per option/award	£0.14	£0.14	£0.14	£0.1297	£0.1115
Share price on date of grant	£0.27	£0.27	£0.27	£0.276	£0.258
Exercise price	£0.27	£0.27	£0.27	£0.276	£0.2208
Vesting period (years)	3	3	3	3	3
Volatility	51.36%	51.36%	51.36%	50.81%	54.81%
Risk-free rate of return	1.04%	1.04%	1.04%	0.20%	0.46%
Expected life (years)	6.5	6.5	6.5	6.50	3.25
Expected dividend yield	nil	nil	nil	nil	nil

A charge of £297,000 (2019: £207,000) has been made in the income statement to spread the fair value of the awards over the three-year service obligations of these incentives.

Assumptions used with regards Share Options

Expected volatility

Expected volatility is a measure of an amount by which share price is expected to fluctuate during a period.

Volatility is an important factor in the core valuation of a share option because the more volatile a share price, the greater the potential gain to the participant at the end of the period.

Volatility is not relevant to the core valuation of an award of free shares because there is no element of chance involved in determining the level of gain: as there is no consideration payable by the employee, there is always a gain. However, the volatility is important in calculating the discount for a market condition, such as TSR or share price growth. The more volatile the share price, the greater the chance of meeting a market-based target in full, and therefore the greater the fair value.

The default volatility formula calculates the ratio of each week's return index to the preceding week's value, using the daily average to remove any bias from selecting a specific day of the week. The formula then calculates the standard deviation of the logs of these ratios and annualises this figure. In calculating volatility the movement in the share price is reviewed over a certain period prior to the grant date (whilst past behaviour is not always a good indicator of movements in the future, it is difficult to determine a more accurate method).

The subjective element is assessing the period over which volatility should be measured.

Volatility has been calculated over the period of time commensurate with the expected award term immediately prior to the date of grant.

Early exercise of awards

It has been assumed that there will not be any early exercise of awards.

Employee Benefit Trust

The Thruvision Group plc Employee Benefit Trust's (the 'Trust') objective is to hold shares in Thruvision Group plc to satisfy awards under the Long-Term Incentive Plan. Costs of running the Trust are charged to the Income Statement. Shares held by the Trust are deducted from the profit and loss reserve and held at cost to the Trust. At 31 March 2020 the Trust did not hold any shares in the Company (2019: nil).

18. Financial instruments

Categories of financial assets and liabilities

The Group had the following financial assets and liabilities:

The amounts below are contractual undiscounted cash flows and include both interest and principal amounts. All assets and liabilities are valued at amortised cost apart from the derivative financial instrument which is measured at Fair Value through Profit or Loss (FVTPL).

	Note	**2020 £'000**	2019 £'000
Assets as per statement of financial position			
Trade receivables	13	**2,102**	2,262
Accrued income	13	**–**	1
Other receivables	13	**26**	269
Derivative financial instrument (valued at FVTPL)		**203**	–
Cash and cash equivalents	14	**8,431**	9,375
		10,762	11,907

	Note	**On demand or less than one year 2020 £'000**	**One to two years 2020 £'000**	**Total 2020 £'000**	On demand or less than one year 2019 £'000	One to two years 2019 £'000	Total 2019 £'000
Liabilities							
Trade payables	15	**877**	**–**	**877**	1,240	–	1,240
Accruals	15	**789**	**–**	**789**	586	–	586
Other payables	15	**15**	**–**	**15**	20	–	20
		1,681	**–**	**1,681**	1,846	–	1,846

The Group had no expected credit losses arising from financial instruments as at 31 March 2020.

Fair value hierarchy

The Group's hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques is shown within the Accounting Policies section in note 1: Financial Instruments on pages 47 to 48:

The Group has no level 2 or level 3 financial liabilities. The fair values of other financial assets and liabilities, which are short term, are not disclosed as the Directors estimate that the carrying amount of the financial assets and liabilities are not significantly different to their fair value. These financial assets and liabilities are carried at amortised cost.

Financial risk management

The Group has a centralised treasury function, providing a service to the Group for funding and foreign exchange management. Treasury activities are managed under policies and procedures approved and monitored by the Board. These are designed to reduce the financial risks faced by the Group, which primarily relate to credit risk, foreign currency risk, interest rate risk and liquidity risk. The Group undertook two trades in financial instruments during the year (2019: two).

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables.

The Board monitors the Group's exposure to credit risk on an on-going basis. Cash investments are only allowed in liquid securities with major financial institutions that satisfy specific criteria. The maximum credit risk exposure at the statement of financial position's date is represented by the carrying value of financial assets. Cash investments have been held with three major financial institutions in the year.

The Board carries out a formal review of its banking arrangements on a six-monthly basis. Details of the Group's credit risk on trade and other receivables can be found in note 13.

Customer concentration risk

The Group monitors its exposure to customer concentration risk on an on-going basis. The amount of the risk exposure is shown in note 13. The group's policy is to only extend credit to credit worthy counterparties.

Security

Trade receivables consist of a large number of customers in various industries and geographical areas. The Group does not hold any security on the trade receivables balance. In addition, the Group does not hold collateral relating to other financial assets (eg derivative assets, cash and cash equivalents held with banks).

18. Financial instruments continued

Market risk analysis
The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk); credit risk; and liquidity risk and certain other price risks. The main risks faced by the Group relate to the availability of funds to meet business needs and the risk of credit default by customers. The Group's overall risk management programme focuses on the unpredictability of the currency markets, and its ongoing operating activities, seeking to minimise potential adverse effects on the Group's financial performance.

Foreign currency risk
Operations are subject to foreign exchange risk from committed transactions denominated in currencies other than their functional currency and, once recognised, the revaluation of foreign currency denominated assets and liabilities.

Approximately 70% (2019: 70%) of Group revenue was invoiced in currencies other than Sterling, predominantly USD. To mitigate foreign exchange risk arising from transactions denominated in other currencies, forecast revenues and costs are regularly reviewed to assess any potential currency exposures and whether forward currency contracts should be put in place. Two currency contracts were entered into during the year resulting in a realised loss of £18k and an unrealised profit recorded under gains from financial assets classified as FVTPL of £203k at 31 March 2020 (2019: £30k expense).

Due to the open currency forward at the Year End being at a fixed rate the Group did not have any overall short or long term exposure to fluctuations in assets or liabilities at the Year End, the open currency forward could fluctuate in value although the equivalent cash balance revaluation would cancel this out leaving a net nil exposure.

The Group is also exposed to movements in foreign currency exchange rates in respect of the translation of net assets and income statements of foreign subsidiaries. However this translation risk is not hedged as it is immaterial to the Group.

Derivative financial instrument
On 19 March 2020 the Group entered into a fixed forward contract to exchange excess USD into GBP, with the contract being settled on 22 April 2020.

Interest rate risk
The Group has £nil financial assets on fixed rate deposits (2019: £nil), and £6,266,000 (2019: £8,052,000) on floating rate deposits.

A reasonably possible change in interest rates is 25 basis points. An increase of 25 basis points would give rise to an additional £16,000 (2019: £20,000) of finance income. A decrease of 25 basis points would give rise to a reduction in finance income of £16,000 (2019: £20,000). The Group is not exposed to interest rate risks on other assets and liabilities, which are transacted on normal commercial terms.

Liquidity risk
The Group's policy is to maintain sufficient headroom to meet its foreseeable financing requirements. Substantial financial assets are held by the Group to meet its planned requirements. The Group's objective is to maintain sufficient levels of immediately available cash to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting period.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables significantly exceed the current cash outflow requirements.

Further information on the Group's cash position can be found in the Financial review on page 7 and in note 14 on page 58.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows in the long and short term.

Capital risk management
The Group defines its capital as its total equity. At this stage of the Group's development, its policy is to have available the necessary financial resources to allow the Group to invest in areas that may deliver future benefit to investors and to fund its existing operations. The Group reviews the capital structure on a regular basis and considers the cost of capital and the risks and benefits associated with different forms of capital available to the Group. At 31 March 2020, total equity amounted to £13,385,000 (2019: £14,077,000).

Following the disposal of the Video Business, the cash proceeds from the sale, after related fees, were significantly greater than the funding requirements of the continuing operations of the Group, and as a result the Board announced on 12 March 2018 its intention to return up to £8.0 million to Shareholders via a tender offer, of which £3.35m was returned to Shareholders.

The declaration and payment by the Group of any future dividends on the Ordinary Shares and the amount will depend on the results of the Group's operations, its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time. However, given the Group's early stage of development, the Directors do not envisage that the Group will pay dividends in the foreseeable future and intend to reinvest surplus funds in the development of the Group's business. The Board will regularly review the appropriateness of its dividend policy.

19. Leases

During the year the Group adopted IFRS 16 ‘Leases’, which has been applied from 1 April 2019.

IFRS 16 requires the Group, with the exception of short-term and low value leases, to value all leasing obligations disclosing right-for-use assets and corresponding lease liabilities. As detailed below, all leases of the Group have been considered to have balance sheet leasing obligations.

Additions to right-of-use asset category reflect the recognition of the Group’s leasing obligations under IFRS 16, and are included within the Property, plant and equipment balance included on the Statement of Financial Position. These balances are shown in note 10 and below in more detail.

Lease liability
From 1 April 2019 lease contracts previously accounted for as operating leases were recognised as finance leases under IFRS 16. In the Statements of Financial Position additional lease liabilities at 31 March 2020 of (£457,000) are offsetting right-of-use assets of £461,000, giving a net asset position of £4,000.

Lease liabilities are presented in the statement of financial position as follows:

	2020 £’000	2019 £’000
Current	**152**	–
Non-current	**305**	–
	457	–

Right-of-use assets

	Property £’000	Motor vehicles £’000	Total £’000
Cost			
At 31 March 2018 and 2019	–	–	–
Adjustment on transition to IFRS 16	565	35	600
Additions	–	23	23
Disposals	–	(11)	(11)
Exchange movements	–	–	–
At 31 March 2020	**565**	**47**	**612**
Accumulated depreciation			38
At 31 March 2018 and 2019	–	–	–
Charge for the period	145	13	158
Disposals	–	(5)	(5)
Exchange movements	(2)	–	(2)
At 31 March 2020	**143**	**8**	**151**
Net book value			
At 31 March 2020	**422**	**39**	**461**
At 31 March 2018 and 2019	–	–	–

Reconciliation of liabilities arising from financing activities and adoption of IFRS 16

	Property £’000	Motor vehicles £’000	Total £’000
Lease liabilities as at 31 March 2019	–	–	–
Adjustment on transition to IFRS 16	(565)	(35)	(600)
New leases taken up in the year	–	(23)	(23)
Lease disposals	–	6	6
Interest charge for the year ended 31 March 2020	(24)	(2)	(26)
Cash outflows for leases in the year ended 31 March 2020	168	18	186
Lease liabilities as at 31 March 2020	**(421)**	**(36)**	**(457)**

19. Leases continued

Future minimum lease payments at 31 March 2020 were as follows:

	Minimum lease payments due					
	Within one year £'000	One to two years £'000	Two to three years £'000	Three to four years £'000	After four years £'000	Total £'000
Lease payments	(180)	(173)	(131)	(9)	–	(493)
Finance charges	20	12	4	–	–	36
Net present value	**(160)**	**(161)**	**(127)**	**(9)**	**–**	**(457)**

Lease liabilities are calculated as the present value of the future lease obligations of the Group.

The future leasing obligations were discounted using relevant UK and US local borrowing rates of 5% respectively.

At transition IFRS 16 permits the cumulative effect of adopting the standard to be taken to retained earnings. The Group also elected to value the right-of-use assets in line with lease liabilities at transition. There were no movements taken to retained earnings as a result of transition. If IFRS 16 was not required, the operating loss of the Group for the current period would have increased by £11,000 and the loss before tax would be reduced by £15,000.

Lease payments not recognised as a liability
The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

There was one low value lease expensed in the year on a straight-line basis. The value of these equipment leases amounted to £3,000 in the year ended 31 March 2020.

20. Provisions

	2020 £'000	2019 Total £'000
Brought forward	38	65
Utilisation	–	(27)
Carried forward	38	38
Current	**–**	**–**
Non current	**38**	**38**

The above carried forward provision of £38,000 (2019: £38,000) relates to dilapidation provisions.

21. Commitments

There are no capital commitments at 31 March 2020 (2019: nil).

The Group has provided guarantees to none (2019: none) third party customers in relation to the performance and delivery of contracts. No liability is expected to arise as a result of these commitments.

22. Related party transactions

Remuneration

The remuneration of Directors and other members of key management, recognised in the income statement, is set out below in aggregate. Key management are defined as the Board of Thruvision Group plc and other persons classified as 'persons discharging managerial responsibility' under the rules of the Financial Conduct Authority. Currently no employees outside of the Directors are classified as 'persons discharging managerial responsibility'.

	2020 £'000	2019 £'000
Directors' remuneration	**481**	480
Pension contributions	**5**	3
	486	483

The highest paid Director received £235,000 (2019: £235,000) in the year, with £nil in pensions contributions (2019: £nil). Key management compensation comprises short-term employee benefits (including national insurance) of £591,000 (2019: £545,000), pension contributions of £5,000 (2019: £3,000) and share-based payments of £120,000 (2019: £84,000).

The Directors share-holding at the year-end are as detailed below (based on the year end share price of £0.145 per share (2019: £0.2865 per share):

	2020 No of shares	2019 No of shares	**2020 £'000**	2019 £'000
Tom Black	**11,349,444**	11,349,444	**1,645**	3,252
Colin Evans	**2,423,900**	2,423,900	**351**	694
Paul Taylor	**272,489**	272,489	**40**	78

Other interest in shares

Other interests in shares of the Directors are included in the Remuneration report on page 30.

23. Post balance sheet event

The Group has no post balance sheet events.

24. Profit/(loss) from discontinued operations

Video Business
On 7 October 2017 the Board signed an agreement for the disposal of the Video Business segment to Volpi Capital LLP for a maximum consideration payable of £27.5 million in cash of which £25.5 million was payable on completion (on a cash free/debt free basis) and the remaining £2.0 million payable subject to the Video Business securing a specific trading contract within 12 months following completion. Further amounts have become payable in the year ended 31 March 2019 as a result of sales of a specific category of inventory. As more than twelve months have passed since the deferred consideration balance was reduced to £nil, further assessments are no longer considered necessary.

Costs included in 2019 included an amount due under warranties as part of the Video Business sale which was not known at the point of signing the FY18 accounts, as well as a reassessment of the likely amount due in deferred consideration.

Costs included in 2019 included an amount due under warranties as part of the Video Business sale which was not known at the point of signing the FY18 accounts, as well as a reassessment of the likely amount due in deferred consideration.

The sale completed on 31 October 2017, with the following being attributable to the disposal group:

Discontinued Operations – Income statement

	2020 £'000	2019 £'000
Contingent consideration received (sale of inventory)	**265**	–
Loss on disposal and exit costs	**(31)**	(233)
Profit/(loss) before tax attributable to Digital Barriers discontinued operation	**234**	(233)
Income tax credit/(expense)	**–**	–
Profit/(loss) after tax attributable to Digital Barriers discontinued operation	**234**	(233)
Closure of Australasia Office	**(45)**	–
Profit/(loss) after tax attributable to discontinued operations	**189**	(233)

No tax arises on disposal income or expenditure.

Profit/(loss) per share – discontinued operations

	Profit attributable to discontinued operations 2020 £'000	**Weighted average number of shares 2020 No.**	**Discontinued profit per share 2020 Pence**	Loss attributable to discontinued operations 2019 £'000	Weighted average number of shares 2019 No.	Discontinued loss per share 2019 Pence
Basic and diluted profit/(loss) per share	**189**	**145,454,118**	**12.99**	(233)	152,839,321	(15.24)

The inclusion of potential Ordinary Shares arising from LTIPs and Incentive Shares would be anti-dilutive. Basic and diluted loss per share has therefore been calculated using the same weighted number of shares.

Cash flows
Cash flows attributable to the disposal group include:

	2020 £'000	2019 £'000
Net cash flows attributable to operating activities	**(31)**	(138)
Net cash flows attributable to investing activities	**265**	182
Net cash flows attributable to financing activities	**–**	–
Cash flows from discontinued operations	**234**	44

25. Subsidiaries

Details of the Company's subsidiary undertakings as at 31 March 2020 are as follows:

Company name	Principal activity	Registered offices	Group interest in allocated capital	Principally operates in	Country of incorporation
Thruvision Limited	People-screening technology	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales
Thruvision Inc.	People-screening technology	21140, Ashburn Crossing Drive, Suite 140, Ashburn, VA, USA, 20147	100%	USA	USA
Thruvis Limited**	Dormant	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales
Codestuff Limited**	Non-trading	C/O Grant Thornton Company Secretarial Services, 110, Queen Street, Glasgow, Scotland G1 3BX	100%	UK	Scotland
COE Group Ltd**	Non-trading	121 Olympic Avenue, Milton Park, Abingdon, Oxon, OX14 4SA	100%	UK	England & Wales
Essential Viewing Systems Limited* **	Non-trading	C/O Grant Thornton Company Secretarial Services, 110, Queen Street, Glasgow, Scotland G1 3BX	100%	UK	Scotland
COE Limited* **	Dormant	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales
Timeload Local Ltd* **	Dormant	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales
Timeload Holdings Ltd* **	Dormant	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales
Timeload (UK) Limited* **	Dormant	121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA	100%	UK	England & Wales

* Held indirectly via intermediate holding companies.

** Dormant subsidiaries exempt from audit under s479A of the Companies Act 2006.

No UK subsidiary companies above were exempt from preparing or filing individual accounts with the registrar under S394A and S448A of the Companies Act 2006.

Waterfall Solutions Limited and Zimiti Limited were struck off from the public register in the current year.

The period of accounts for all companies is 1 April 2019 to 31 March 2020.

Statement of Directors’ responsibilities – Company financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom 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 , 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 and profit or loss of the Company for that period.

In preparing those 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 accounting standards, including FRS 101 ‘Reduced Disclosure Framework’ have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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 which 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 confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company’s auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company’s auditor is aware of that information.

Company balance sheet
at 31 March 2020

	Note	31 March 2020 £'000	31 March 2019 £'000
Non-current assets			
Investments	4	**7,597**	7,430
Current assets			
Trade and other receivables	5	**5,680**	4,569
Derivative financial instrument		**203**	–
Cash and cash equivalents		**6,535**	7,947
		12,418	12,516
Total assets		**20,015**	19,946
Equity and liabilities			
Equity share capital	6	**1,455**	1,618
Capital redemption reserve		**163**	–
Other reserves		**297**	129
Retained earnings		**9,040**	9,107
Total equity		**10,955**	10,854
Current liabilities			
Trade and other payables	7	**9,060**	9,092
Total liabilities		**9,060**	9,092
Total equity and liabilities		**20,015**	19,946

The Directors have taken advantage of the exemption available under section 408 of the Companies Act and have not presented a statement of comprehensive income for the Company. The loss for the year dealt with in the accounts of the Company was £196,000 (2019: £1,055,000).

The financial statements on pages 71 and 72 (along with notes on pages 73 to 77 of Thruvision Group plc (registered company number: 07149547) were approved by the Board of Directors on 5 June 2020 and were signed on its behalf by:

Tom Black
Chairman

Adrian Crockett
Finance Director

Company Statement of Changes in Equity
for the year ended 31 March 2020

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Retained Earnings £'000	Total equity £'000
At 31 March 2018	1,814	109,078	4,786	16	(100,647)	15,047
Capital reduction	–	(109,078)	(4,786)	–	113,864	–
Share buyback	(196)	–	–	–	(3,149)	(3,345)
Share-based payment credit	–	–	–	113	94	207
Transactions with Shareholders	(196)	(109,078)	(4,786)	113	110,809	(3,138)
Loss for the year	–	–	–	–	(1,055)	(1,055)
At 31 March 2019	1,618	–	–	129	9,107	10,854
Cancellation of deferred shares	(163)	–	163	–	–	–
Share-based payment credit	–	–	–	168	129	297
Transactions with Shareholders	(163)	–	163	168	129	297
Loss for the year	–	–	–	–	(196)	(196)
At 31 March 2020	**1,455**	**–**	**163**	**297**	**9,040**	**10,955**

See Group accounting policies on page 45 for a description of the above reserves.

Notes to the Company balance sheet
at 31 March 2020

1. Authorisation of financial statements and statement of compliance with FRS101

The Company financial statements for the year ended 31 March 2020 were authorised for issue by the Board of Directors on 5 June 2020 and the balance sheet was signed on the board's behalf by Tom Black and Adrian Crockett. Thruvision Group plc is incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards. The Company has adopted an IAS 1 format in its financial statements, as permitted by FRS 101 (amended July 2015) using the 'adapted formats' in company law, as amended by SI 2015/980.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The principal accounting policies adopted by the Company are set out in Note 2.

2. Accounting policies

Basis of preparation
The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2020.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7 Financial Instruments: Disclosures;

(b) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;

(c) the requirements of IAS 7 Statement of Cash Flows;

(d) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;

(e) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;

(f) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share Based Payment;

(g) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements';

(h) 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; and

(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

Basis of measurement
The Company financial statements are prepared on the historical cost basis with the exception of derivative financial instruments which are classified as at fair value through profit or loss.

Going concern
The accounts have been prepared on a going concern basis as described in note 1 of the consolidated Group financial statements.

Critical accounting judgements and key sources of estimation uncertainty
The key accounting judgement of the Company are:

(1) The carrying value of its investments in subsidiary undertakings.

The basis of assessing this is done by reviewing long term forecasts for Thruvision Limited to determine if the investment in Thruvision Limited requires impairment. The Company does not deem its investments in subsidiary undertakings to be impaired.

(2) The carrying value of amounts due from subsidiary undertakings.

The basis of assessing whether the amount due from subsidiary undertakings are recoverable in full under IFRS 9 involves reviewing the current estimated value which assets within the subsidiary could be converted into cash for, less the current amount of cash due to creditors, in order to determine whether the subsidiary could repay the debt owing to the Company. An assessment was carried out at the year-end by the Directors and amounts due from subsidiary undertakings do not require to be impaired.

Share-based payments
The basis of valuation of the equity awards under the various share option schemes, to arrive at the Share Based Payment charge, are the same as for the Group accounts and detailed in Note 1: Accounting Policies on page 49 of this report.

2. Accounting policies continued

Foreign currencies
The Company's financial statements are presented in Sterling. Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Investments
Fixed asset investments in subsidiaries' shares are held at cost (or deemed cost as at the date of transition) less any accumulated impairment losses in accordance with IAS 27: 'Separate financial statements'.

Share options granted to subsidiary employees are included within capital contributions within fixed asset investments at the amount of the share based payment charge incurred by the subsidiary. Investments made by way of a capital contribution into the subsidiary are carried at cost.

Impairment
The Company's accounting policies in respect of impairment of financial assets are consistent with the Group.

The carrying values of investments in subsidiary undertakings are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Loans to group undertakings
Loans to group undertakings are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method, less provision for impairment.

Cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Financial instruments
Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contracted rights to the cash flows from the financial asset expire or when the contracted rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

The fair value of a derivative financial instrument represents the present value of positive or negative cash flows which would have occurred had the rights and obligations arising from that instrument been closed out by the Group in an orderly market transaction at balance sheet date.

Employee Benefit Trust
The Thruvision Group plc Employee Benefit Trust (the 'Trust'), which purchases and holds Ordinary Shares of the Company in connection with certain employee share schemes, is included in the Company's financial statements. Any consideration paid or received by the Trust for the purchase or sale of the Company's own shares is shown as a movement in Shareholders' equity.

Income taxes
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited to the Income statement if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Overview Strategic report Governance Financial statements Other information

3. Employees

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

	Average 2020	Average 2019
Directors and administration	**5**	5

The employee benefit expense for the period of these employees amounted to:

	2020 £'000	2019 £'000
Salaries and short-term employee benefits	**655**	645
Social security costs	**85**	83
Pension costs	**5**	3
Share-based payments	**128**	94
	873	825

4. Investments

	Shares in Group undertakings £'000	Capital contributions £'000	Total £'000
Cost			
At 31 March 2018	17,611	16	17,627
Additions	–	113	113
At 31 March 2019	17,611	129	17,740
Additions	–	168	168
Disposals	(5,963)	–	(5,963)
At 31 March 2020	**11,648**	**297**	**11,945**
Amounts provided			
At 1 April 2018 and 2019	10,310	–	10,310
Disposals	(5,962)	–	(5,962)
At 31 March 2020	**4,348**	**–**	**4,348**
Net book value			
At 31 March 2020	**7,300**	**297**	**7,597**
At 31 March 2019	7,301	129	7,430

Notes to movements in Investments
Capital contributions in the period relate to share-based payments to employees of subsidiary undertakings of £168,000 (2019: £113,000)

The disposals in the year relate to Waterfall Solutions Limited and Zimiti Limited, which were struck off from the Companies House register in the current year.

All of the Company's investments are unlisted.

Details of the Company's subsidiary undertakings as at 31 March 2020 are disclosed in note 25 of the Group financial statements.

5. Trade and other receivables

	Gross carrying amounts 2020 £'000	Provision for impairment 2020 £'000	Net carrying amounts 2020 £'000	Gross carrying amounts 2019 £'000	Provision for impairment 2019 £'000	Net carrying amounts 2019 £'000
Amounts falling due after one year						
Amounts falling due within one year						
Amounts owed by subsidiary undertakings	**5,671**	**–**	**5,671**	4,400	–	4,400
VAT recoverable	**–**	**–**	**–**	25	–	25
Prepayments and accrued income	**9**	**–**	**9**	21	–	21
Deferred consideration	**–**	**–**	**–**	123	–	123
	5,680	**–**	**5,680**	4,569	–	4,569

The provision for doubtful debts was £nil (2019: £nil).

6. Share capital

	Number	£'000
Authorised, allotted, called-up and fully paid		
Ordinary Shares of 1 pence each		
At 31 March 2018	165,130,024	1,651
Share buyback	(19,675,906)	(196)
At 31 March 2019 and 31 March 2020	**145,454,118**	**1,455**

	Number	£'000
Authorised, allotted, called-up and fully paid		
Deferred Shares of £1 each		
At 31 March 2019	163,124	163
Cancellation of deferred shares	(163,124)	(163)
At 31 March 2020	**–**	**–**

	£'000
Total share capital	
At 31 March 2018	1,814
Share buyback	(196)
At 31 March 2019	1,618
Cancellation of deferred shares	(163)
At 31 March 2020	**1,455**

The rights preferences and restrictions attached to each class of share are disclosed in the Group financial statements on page 46. Full details on the movements in share capital are provided in note 16 of the Group financial statements.

7. Trade and other payables

	2020 £'000	2019 £'000
Amounts owed to subsidiary undertakings	**8,762**	8,762
Trade creditors	**45**	84
Accruals	**226**	215
Social security and other taxes	**27**	29
Other creditors	**–**	2
	9,060	9,092

At 31 March 2020 the amount owing on secured creditors was £nil (31 March 2019: £nil).

8. Related party transactions

Transactions with the Directors of the Company are disclosed in the Remuneration report and in note 22 of the Group financial statements.

Amounts outstanding due from related parties that have had transactions during the period are detailed below:

	2020 £'000	2019 £'000
Amounts owed by subsidiary undertakings	**5,671**	4,400

Amounts owed by subsidiary undertakings are interest free and repayable on demand. Interest is applied at commercial rates on the interest-bearing loans.

Amounts outstanding due to related parties that have had transactions during the period are detailed below:

	2020 £'000	2019 £'000
Amounts owed to subsidiary undertakings	**8,762**	8,762

9. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2019 and 31 March 2020.

10. Post balance sheet event

The Company has no post balance sheet events.

11. Statutory and other information

The Company is a public limited company incorporated and domiciled in England and Wales. The Company's Ordinary Shares are listed on the Alternative Investment Market, regulated by the London Stock Exchange.

Directors' remuneration is disclosed in note 22 of the Group financial statements.

The fee for the audit of the Company was £7,000 (2019: £7,000). The Company's individual accounts do not disclose fees for other services required by Regulation 5(1)(b) of the Companies (Disclosure of Auditor Remuneration) Regulations 2008 as exempt because the Group financial statements are required to comply with and include the disclosures required by Regulation 5(1)(b).

Details of share-based payments are in the Remuneration Report on pages 25 to 30 part of these financial statements. Information on the main employee share-based payments is given in note 17 to the consolidated Group financial statements. Details of the remuneration of key management personnel are given in note 22 to the consolidated Group financial statements.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if you reside elsewhere, another appropriately authorised financial adviser.

If you have sold or otherwise transferred your shares in Thruvision Group plc, you should forward this document and other documents enclosed as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Thruvision Group plc
Notice of Annual General Meeting

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 07149547)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting (the 'Meeting' or the 'AGM' of Thruvision Group plc (the 'Company') will be held at 121 Olympic Avenue, Milton Park, Abingdon, Oxon OX14 4SA at 10.00 a.m. on Tuesday, 22 September 2020 to consider and, if thought fit, to pass the following resolutions of which Resolutions 1 to 10 will be proposed as ordinary resolutions of the Company and Resolutions 11 to 13 will be proposed as special resolutions of the Company.

The UK Government's Measures ('Measures'), to combat Covid-19, in force at the time of issue of this notice prohibit indoor public gatherings of more than two people.

In light of the Measures, no access to shareholders or proxies will be granted to the premises whilst the Measures remain in force.

Ordinary business

(1) To receive and adopt the audited financial statements of the Company for the year ended 31 March 2020 and the reports of the Directors and auditors thereon.

(2) To approve the Directors' Remuneration report for the year ended 31 March 2020.

(3) To re-elect Tom Black as a Director, who retires in accordance with the Company's Articles of Association.

(4) To re-elect Colin Evans as a Director, who retires in accordance with the Company's Articles of Association.

(5) To re-elect Paul Taylor as a Director, who retires in accordance with the Company's Articles of Association.

(6) To re-elect Adrian Crockett as a Director, who retires in accordance with the Company's Articles of Association.

(7) To re-appoint Grant Thornton UK LLP as auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next general meeting of the Company at which accounts are laid before the Company.

(8) To authorise the Directors to determine the remuneration of the auditors.

Special business

(9) That the rules of the Thruvision Group plc Long Term Incentive Plan in an updated form (renamed the Thruvision Group plc Long Term Incentive Plan 2020 ('LTIP 2020')), the principal terms of which are summarised in Appendix 2 to the Notice of AGM, and which are produced in draft to this meeting and, for the purposes of identification, are initialled by the Chairman of the meeting, are approved and the Directors are authorised to;

(a) modify the LTIP 2020 as they consider appropriate to take account of best practice and to take any actions they consider appropriate to implement the LTIP 2020; and

(b) establish further plans based on the LTIP 2020 but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under those plans count against the limits on individual or overall participation in the LTIP 2020.

(10) That, in substitution for any existing authorities and powers granted to the Directors pursuant to Section 551 of the Companies Act 2006 (the 'Act') prior to the passing of this resolution, the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Act to exercise all powers of the Company to allot Shares in the Company, and to grant rights to subscribe for or to convert any security into Shares of the Company (such Shares, and rights to subscribe for or to convert any security into Shares of the Company being 'relevant securities') up to an aggregate nominal amount of £484,847 and unless previously renewed, revoked, varied or extended this authority shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of passing of this resolution, except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired.

(11) That, conditional upon the passing of Resolution 10 and in substitution for all existing authorities and powers given to the Directors pursuant to Section 570 of the Act prior to the passing of this resolution, the Directors be and are hereby empowered pursuant to Section 570(1) of the Act to allot equity securities (as defined in Section 560 of the Act) of the

Company wholly for cash pursuant to the authority of the Directors under Section 551 of the Act conferred by Resolution 10 above, and/or where such allotment constitutes an allotment of equity securities by virtue of Section 560(2) of the Act as if Section 561(1) of the Act did not apply to any such allotment, provided that such power conferred by this resolution shall be limited to:

(a) the allotment of equity securities in connection with an invitation or offer of, or invitation to apply for, equity securities to the holders of Ordinary Shares in the capital of the Company (excluding any Shares held by the Company as treasury Shares (as defined in Section 724(5) of the Act)) on a fixed record date in proportion (as nearly as practicable) to their respective holdings of such Shares or in accordance with the rights attached to such Shares (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, record dates or legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and

(b) the allotment (otherwise than pursuant to paragraph (a) of this resolution) of equity securities up to a maximum nominal amount equal to £72,727.

And unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of passing of this resolution, except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if this power had not expired.

(12) That, in substitution for any equivalent authorities and powers granted to the Directors prior to the passing of this resolution, the Directors be and they are empowered in addition to the authority granted pursuant to Resolution 11 to allot equity securities (as defined in Section 560 of the Act) of the Company wholly for cash pursuant to the authority of the Directors under Section 551 of the Act conferred by Resolution 10 above (in accordance with Section 570(1) of the Act) and/or by way of a sale of treasury Shares (in accordance with Section 573 of the Act), in each case as if Section 561(1) of the Act did not apply to such allotment provided that:

(a) the power conferred by this resolution shall be:

(i) limited to the allotment of equity securities up to an aggregate nominal value equal to £72,727;

(ii) used only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment; and

(b) unless previously revoked, varied or extended, this power shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of passing of this resolution, except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted or sold after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

(13) That the Company be and is hereby generally and unconditionally authorised (pursuant to Section 701 of the Act) to make one or more market purchases (as defined in Section 693(4) of the Act) on the London Stock Exchange (the 'Exchange') of any of its own Ordinary Shares of 1 penny each ('Ordinary Shares') on such terms and in such manner as the Directors of the Company may from time to time determine provided that:

(a) the maximum number of Ordinary Shares hereby authorised to be purchased is 21,803,572;

(b) the maximum price (excluding expenses) which may be paid for an Ordinary Share is an amount equal to 110% of the average of the middle market quotations for an Ordinary Share derived from the AIM appendix of the Daily Official List of the Exchange for the five business days immediately prior to the day on which the Share is contracted to be purchased;

(c) the minimum price which may be paid for an Ordinary Share is 1 penny exclusive of attributable expenses payable by the Company; and

(d) the authority conferred by this resolution, unless previously renewed, revoked, varied or extended, shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months after the date of passing this resolution, except that the Company may, before such expiry, enter into one or more contracts for the purchase of Ordinary Shares which may be completed by or executed wholly or partly after the expiration of this authority.

By order of the Board:

John Woollhead
Company Secretary

5 June 2020

Registered Office
121, Olympic Avenue
Milton Park
Abingdon
Oxon OX14 4SA

Appendix 1 Explanatory notes to certain resolutions

Resolution 9 – Long Term Incentive Plan

The Company's existing long-term incentive arrangement for the Company's Executive Directors and other employees is the Thruvision Group plc Long Term Incentive Plan (the 'LTIP'). The Directors' authority to grant awards under the LTIP expires in June 2020 (10 years after it was established).

The LTIP provides for share-based awards that normally vest after three years, subject to the participant's continued service and, in some cases, satisfying performance conditions.

The remuneration committee has recently reviewed the LTIP and concluded that shareholder authority should be sought under Resolution 9 to update the LTIP and extend its life for 10 years from the date of the AGM. The principal terms of the updated LTIP (the 'LTIP 2020') are summarised in Appendix 2 to this Notice of AGM.

The provisions of the LTIP 2020 align more closely with certain developments in best practice (which will not involve changes materially to the advantage of participants) which have been introduced over the last 10 years.

Resolution 10 – Directors' power to allot relevant securities

This resolution grants the Directors authority to allot Shares in the capital of the Company and other relevant securities up to an aggregate nominal value of £484,847, representing approximately one-third of the nominal value of the issued Ordinary Share capital of the Company as at 5 June 2020, being the latest practicable date before the publication of this notice. Unless revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company or the date falling 15 months from the passing of the resolution, whichever is the earlier.

Resolution 11 – Directors' power to issue Shares for cash

This resolution authorises the Directors in certain circumstances to allot equity securities for cash other than in accordance with the statutory pre-emption rights (which require a Company to offer all allotments for cash first to existing Shareholders in proportion to their holdings). The relevant circumstances are either where the allotment takes place in connection with a rights issue or the allotment is limited to a maximum nominal amount of £72,727 representing approximately 5% of the nominal value of the issued Ordinary Share capital of the Company as at 5 June 2020 (being the latest practicable date before the publication of this notice) for general purposes. Unless revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

Resolution 12 – Directors' power to issue Shares for cash

This resolution authorises the Directors to allot further equity securities for cash in connection with acquisitions or other specified capital investments which are announced contemporaneously with the allotment, or which has taken place in the preceding 6-month period and is disclosed in the announcement of the allotment. This authority is limited to a maximum nominal amount of £72,727 which represents approximately 5% of the nominal value of the issued Ordinary Share capital of the Company as at 5 June 2020 (being the latest practicable date before publication of this notice). The Directors consider that the power proposed to be granted by Resolution 12 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power. Unless revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

Resolution 13 – Directors' authority to purchase Shares (market purchases)

This resolution authorises the Directors to make market purchases of up to 21,803,572 Ordinary Shares (representing approximately 14.99% of the Company's issued Ordinary Share capital as at 5 June 2020, being the latest practicable date before publication of this notice). Shares so purchased may be cancelled. The authority will expire at the end of the next Annual General Meeting of the Company or 15 months from the passing of the resolution, whichever is the earlier. The Directors intend to seek renewal of this authority at subsequent Annual General Meetings.

The minimum price that can be paid for an Ordinary Share is 1 penny, being the nominal value of an Ordinary Share. The maximum price that can be paid is 10% over the average of the middle market prices for an Ordinary Share, derived from the AIM appendix of the Daily Official List of the London Stock Exchange, for the 5 business days immediately before the day on which the relevant Share is contracted to be purchased.

The Directors intend to exercise this right only when, in light of the market conditions prevailing at the time and taking into account all relevant factors (for example, the effect on earnings per Share), they believe that such purchases are in the best interests of the Company and its Shareholders generally. The overall position of the Company will be taken into account before deciding upon this course of action.

Recommendation
The Directors consider that the proposals being put to the Shareholders at the AGM are in the best interests of the Company and of the Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the resolutions set out in the Notice of the AGM, as they intend to do in respect of their own beneficial holdings of ordinary shares.

Appendix 2 Summary of the principal terms of the LTIP 2020

Operation
The Company's remuneration committee (the 'Committee') will supervise the operation of the LTIP 2020.

Eligibility
Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the LTIP 2020 at the discretion of the Committee.

Grant of awards
Awards may be granted within six weeks following the Company announcing its results for any period. They may also be granted within six weeks of Shareholder approval of the LTIP 2020 at the forthcoming AGM or at any other time when the Committee considers there are exceptional circumstances.

Awards may be either conditional share awards or options (with or without an exercise price).

Awards granted as options can be tax-advantaged in the UK (within statutory limits). For tax relief to be available, some variations to normal award terms are required including that, in some cases, malus and clawback provisions (see below) cannot apply.

No payment is required for the grant of an award. Awards are not transferable (except on death) and are not pensionable.

The Committee may grant cash-based awards of an equivalent value to share-based awards or satisfy share-based awards in cash (normally only in exceptional circumstances).

Awards may not be granted more than 10 years after the renewed Shareholder approval of the LTIP 2020.

Overall limits
The LTIP 2020 may operate over new issue shares, treasury shares or shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than 10 per cent of the issued ordinary share capital of the Company under the LTIP 2020 and any other employee share plan adopted by the Company.

Treasury shares count as new issue shares for this purpose while this is required by institutional investor guidelines.

Individual limit
An employee may not receive awards in any financial year over shares with a market value exceeding 100 per cent. of their annual base salary. In exceptional circumstances, this limit is 200 per cent of annual base salary.

Market value for this purpose is normally taken on the dealing day (or averaged over a few dealing days) immediately preceding the grant of an award.

Performance conditions
The extent of vesting of awards may be subject to performance conditions set by the Committee.

The Committee may vary performance conditions to take account of post-grant events provided it considers the varied conditions are fair and reasonable and, in the case of awards to Executive Directors, they are not materially more or less challenging than the original conditions would have been but for the relevant event.

Vesting
Awards normally vest on the third anniversary of their grant, subject to continuing employment and, where applicable, satisfaction of any performance condition. The Committee may specify an alternative normal vesting date (but this may not be an earlier date for Executive Directors of the Company).

Awards granted as options are normally exercisable from vesting until the tenth anniversary of grant. Shorter exercise periods apply to 'good leavers' and/or following corporate events.

Leaving employment
Awards normally lapse if a participant ceases to be an employee or a Director within the Group. If, however, this is because of injury, ill-health, disability, retirement, redundancy, their employing company or the business for which they work being sold out of the Group or in other circumstances at the Committee's discretion, their awards vest on the normal vesting date (unless the Committee allows vesting immediately on cessation) subject to: (i) the extent to which any performance conditions have been satisfied at the relevant time; and (ii) pro-rating to reflect the elapsed portion of the normal vesting period (unless the Committee decides not to pro-rate). Awards vest on a participant's death (unless, in exceptional circumstances, the Committee determines that vesting shall be at the normal time).

Corporate events
On a takeover (other than an internal corporate reorganisation) or winding-up of the Company, all awards will vest early subject to: (i) the extent that any performance condition has been satisfied; and (ii) pro-rating to reflect the reduced elapsed portion of the normal vesting period (although the Committee can decide not to pro-rate). On an internal corporate reorganisation, awards will be replaced by equivalent awards over shares in a new holding company unless the Committee decides that they should vest as on a takeover.

If a demerger, special dividend or other similar event is proposed which, in the Committee's opinion, would materially affect the market price of the Company's shares, the Committee may decide that awards will vest as on a takeover.

Malus and Clawback
The Committee may apply the LTIP 2020's malus and clawback provisions if, prior to the third anniversary of the vesting of an award, it is discovered that there has been a material misstatement of the Company's financial results, an error of calculation (including on account of inaccurate or misleading information) or, for awards granted after 22 September 2020, in the event of serious misconduct, serious reputational damage or corporate failure.

Malus and clawback provisions may be satisfied by reducing the participant's future bonus, subsisting or future share awards and/or requiring them to make a cash payment.

Dividend equivalents
The Committee may decide that participants will receive a payment (in cash and/or shares) equivalent to dividends that would have been payable on vested shares between grant and vesting. The amount of the payment may assume dividend reinvestment. It shall be paid when the related vested shares (or cash payment) are delivered.

Alternatively, participants may have their awards increased as if dividends were paid on the award shares in the relevant period and then reinvested in further shares.

Participants' rights
Awards settled in shares will not confer Shareholder rights until participants have received those shares.

Rights attaching to shares
Shares allotted to satisfy awards will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Adjustment of awards
On a variation of the Company's share capital or a demerger, payment of a special dividend or similar event which materially affects the market price of the Company's shares, the Committee may adjust the number of shares subject to an award and/or any exercise price payable.

Alterations to the LTIP 2020
The Committee may alter the LTIP 2020, provided that prior Shareholder approval is obtained for alterations to the advantage of participants to the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares or cash to be acquired and the adjustment of awards.

Shareholder approval is not required for minor alterations to benefit administration of the LTIP 2020, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any group company. Shareholder approval will also not be required for any alteration to a performance condition in accordance with its terms.

Overseas plans
The resolution to approve the LTIP 2020 allows the Board to establish further plans for overseas territories. They will be similar to the LTIP 2020, but modified to take account of local tax, exchange control or securities laws. Shares made available under them will count against the limits on individual and overall participation in the LTIP 2020.

The LTIP 2020 includes provisions to take account of local requirements and tax rules in certain countries.

Explanatory notes on proxy voting:
The notes below assume that the Measures have been lifted and Shareholders and proxies are able to attend the AGM. All Shareholders are encouraged to exercise their postal or CREST voting rights, as attendance in person at the AGM will not be permitted if the Measures remain in place.

(1) Every Shareholder has the right to appoint some other person(s) of their choice, who need not be a Shareholder, as his or her proxy to exercise all or any of his or her rights, to attend, speak and vote on their behalf at the AGM. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided on the reverse of the proxy form. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name on the reverse of the proxy form, the number of Shares in relation to which they are authorised to act as your proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his or her discretion as to whether, and if so how, he or she votes (or if this proxy form has been issued in respect of a designated account for a Shareholder, the proxy will exercise his or her discretion as to whether, and if so how, he or she votes).

(2) To appoint more than one proxy to exercise rights attached to different Shares, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0370 707 1889 or you may photocopy the proxy form. Please indicate in the box next to the proxy holder's name on the reverse of the proxy form the number of Shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

(3) To be valid a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated should reach the Company's registrar, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 10.00 a.m. on Friday 18 September 2020. You can only appoint a proxy using the procedures set out in these notes and in the notes to the proxy form.

(4) The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

(5) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), entitlement to attend and vote at the AGM and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at 6.00 p.m. on Friday 18 September 2020 (or if the AGM is adjourned, 48 hours before the time fixed for the adjourned AGM. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the AGM.

(6) To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 10.00 a.m. on Friday 18 September being two working days before the time appointed for holding the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

(7) The address on the proxy form is how it appears on the Register of Members. If this information is incorrect, please ring the Registrar's helpline on 0370 707 1889 to request a change of address form or go to www.investorcentre.co.uk to use the online Investor Centre service.

(8) Any alterations made to the proxy forms should be initialled.

(9) The completion and return of the proxy forms will not preclude a member from attending the AGM and voting in person.

(10) In the case of joint holders of Shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

(11) Please note that communications regarding the matters set out in this Notice of AGM will not be accepted in electronic form, other than as specified in the accompanying proxy form.

(12) A member that is a Company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in either one of two ways: Either by appointment of a proxy (described in Note 1 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provision of the Companies Act 2006.

(13) The draft rules of the LTIP 2020, as it is proposed it should be updated (clean copy and as a marked-up copy of the current rules), will be available for inspection at the offices of Aon Hewitt at The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AN during normal business hours on any weekday (English public holidays excepted) until the close of the AGM and at the place of the AGM for at least 15 minutes prior to and during the AGM.

Officers and professional advisors

Directors and Officers

Tom Black
Chairman

Colin Evans
Chief Executive Officer

Adrian Crockett
Finance Director – appointed 1 May 2019

Paul Taylor
Non-Executive Director

John Woollhead
Company Secretary

Registered Office

121, Olympic Avenue
Milton Park
Abingdon
Oxon
OX14 4SA

Registered No: 07149547

Registrars

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Auditors

Grant Thornton UK LLP
3140 Rowan Place
John Smith Drive
Oxford Business Park South
Oxford
OX4 2WB

Nominated Advisor

Investec
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London
EC2V 7QP

Financial PR

F T I Consulting
Holborn Gate, 26 Southampton Buildings
London
WC2A 1PB

Bankers

HSBC
City of London Corporate Banking Centre
60 Queen Victoria Street
London
EC4N 4TR

Solicitors

Osborne Clarke
One London Wall
London
EC2Y 5EB

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THRUVISION
PEOPLE-SCREENING

Annual Report and Accounts
2020

Thruvision is the leading provider of safe distance people-screening technology. Using patented passive terahertz technology, Thruvision is uniquely capable of detecting metallic and non-metallic threats including weapons, explosives and contraband items that are hidden under clothing, at distances between 3m and 10m.

Addressing the growing need for fast, safe and effective security, Thruvision completely removes the need for physical "pat-downs" and has been vetted and approved by the US Transportation Security Administration for surface transportation. Operationally deployed in 20 countries around the world, Thruvision is used for aviation and transportation security, retail supply chain loss prevention, facilities and public area protection and customs and border control. The Company has offices near Oxford and Washington DC.

FAST ▼ SAFE ▼ PROVEN