

Company registration number 11013848 (England and Wales)

EATRON TECHNOLOGIES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

LB GROUP
Ground Floor
Swift House
18 Hoffmanns Way
Chelmsford

CM1 1GU

EATRON TECHNOLOGIES LTD

COMPANY INFORMATION

Directors	Dr A U Genc Mr O Kent Mr M Samaan Mr R McIntyre	(Appointed 6 December 2023)
Company number	11013848	
Registered office	Unit 11A The Innovation Centre Warwick Technology Park Warwick CV34 6UW	
Auditor	LB Group Limited (Chelmsford) Ground Floor Swift House 18 Hoffmanns Way Chelmsford CM1 1GU	

EATRON TECHNOLOGIES LTD

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EATRON TECHNOLOGIES LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present the strategic report for the year ended 31 December 2023.

Fair review of the business

The directors aim to provide a balanced and comprehensive review of the development and performance of the business during the period and its position at the period end. The review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties faced.

Business Review

Eatron is a fast-growing technology company dedicated to unlocking the full potential of batteries with intelligent software for all vehicle and battery manufacturers worldwide. We develop AI-powered edge-to-cloud connected software platform for better, safer, durable and greener batteries in automotive, mobility and beyond.

Each Eatron software function at the edge (i.e. in the battery management system (BMS)), such as advanced SoX or RUL, is designed to have a cloud counterpart with integrated connectivity and analytics. These enable OTA updates to unlock regular software improvements to achieve superior performance, safety and reliability over the lifetime of the batteries and EVs.

Eatron is headquartered in Warwick, with an office in Istanbul Türkiye and other global presences.

During FY 2023, Eatron increased turnover by 268% to £4.372m (FY 2022: £1.626m) and reported a loss of £0.156m (FY 2022: loss of £4.168m) in the same period. This growth was in line with the expectations of the directors and enabled Eatron to gain a greater understanding of market.

At Eatron our values form our behaviour and shape the 'Eatronian way'. They help us to achieve our vision, mission and keep us focused along our journey to make software-defined vehicles a reality for OEMs worldwide. These values are:

- Passion for science and technology
- High performance and achievers
- Love for new ideas & always curious
- Care for environment and sustainability
- Team builders
- Know how to have fun

Principal risks and uncertainties

The key risk areas are:

- Changes in key market segments; temporary slowdown in electrification
- Expanding the current customer portfolio to facilitate the growth of the group
- Successful development of BMS software technologies to meet customer demands

The directors consider there to be an appropriate structure in place to plan for and mitigate risks.

The group operates in a competitive market. The risks associated with this are mitigated by ensuring the group offers a high-quality service across all areas of the business, by maintaining positive relationships with its existing stakeholders and continue to build the brand name by enhancing its existing customer base.

The group's financial instruments comprise cash at bank, trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations to maintain cash liquidity buffer to mitigate this risk.

Customer pricing is under constant review. Excellent customer service and development of competitive BMS software, as well as strong client relationships are used to mitigate this risk.

EATRON TECHNOLOGIES LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Key performance indicators

The group uses several financial measures to monitor progress against strategies and corporate objectives.

These are summarised as follows:

	2023	2022
Turnover	£4,371,565	£1,626,181
Gross Profit	£3,419,376	£1,134,405
Loss After Tax	£155,789	£4,167,789
Cash Position	£9,241,971	£3,000,437

Future outlook

Everything around us needs a battery, and every battery needs a good BMS (Battery Management Software) to function safely and correctly. We can see the global push toward electrification and Eatron is positioning itself to be ready to provide the software products that enable everyone to get the most out of their batteries. The group continues to seek further investment opportunities and is focused on growing the core management team within the organisation. As a result of this the directors believe that the rebounding strength of the global economy, underlined by the enhanced development of BMS software within the group will allow for a positive future prospect.

On behalf of the board

Dr A U Gene
Director

19 September 2024

EATRON TECHNOLOGIES LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company and group continued to be that of a technology company dedicated to unlocking the full potential of batteries with intelligent software for all vehicle and battery manufacturers worldwide.

We develop AI-powered edge-to-cloud connected software platform for better, safer, durable and greener batteries in automotive, mobility and beyond.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Dr A U Genc

Mr O Kent

Mr M Samaan

Mr R McIntyre

(Appointed 6 December 2023)

Auditor

LB Group Limited (Chelmsford) were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Dr A U Genc

Director

19 September 2024

EATRON TECHNOLOGIES LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EATRON TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EATRON TECHNOLOGIES LTD

Opinion

We have audited the financial statements of Eatron Technologies Ltd (the 'parent company') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 the parent company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other matters

In the previous accounting period the directors of the company took advantage of the audit exemption under S477 of the Companies Act. Therefore the comparative 2022 corresponding figures are unaudited.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EATRON TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EATRON TECHNOLOGIES LTD

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 by exception

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

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

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

Responsibilities of directors

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the technology sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including Companies Act 2006, taxation legislation, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

EATRON TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EATRON TECHNOLOGIES LTD

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Michael Warman (Senior Statutory Auditor)
For and on behalf of LB Group Limited (Chelmsford)

20 September 2024

Chartered Accountants
Statutory Auditor

Ground Floor
Swift House
18 Hoffmanns Way
Chelmsford
CM1 1GU

EATRON TECHNOLOGIES LTD

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022 Unaudited as restated
	Notes	£	£
Turnover	3	4,371,565	1,626,181
Cost of sales		(952,189)	(491,776)
		<hr/>	<hr/>
Gross profit		3,419,376	1,134,405
Administrative expenses		(4,295,488)	(5,966,386)
Other operating income		37,949	75,399
		<hr/>	<hr/>
Operating loss	4	(838,163)	(4,756,582)
Interest receivable and similar income	8	47,556	11,046
Interest payable and similar expenses	9	(1,146)	(77)
		<hr/>	<hr/>
Loss before taxation		(791,753)	(4,745,613)
Tax on loss	10	635,964	577,824
		<hr/>	<hr/>
Loss for the financial year		<u>(155,789)</u>	<u>(4,167,789)</u>

Loss for the financial year is all attributable to the owner of the parent company.

EATRON TECHNOLOGIES LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022 Unaudited as restated
	£	£
Loss for the year	(155,789)	(4,167,789)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(155,789)</u>	<u>(4,167,789)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

EATRON TECHNOLOGIES LTD

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022 Unaudited as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		1,820,869		801,529
Tangible assets	12		153,861		269,273
			<u>1,974,730</u>		<u>1,070,802</u>
Current assets					
Debtors	15	1,619,105		1,022,912	
Cash at bank and in hand		9,241,971		3,000,437	
		<u>10,861,076</u>		<u>4,023,349</u>	
Creditors: amounts falling due within one year	16	<u>(508,384)</u>		<u>(439,909)</u>	
Net current assets			<u>10,352,692</u>		<u>3,583,440</u>
Net assets			<u><u>12,327,422</u></u>		<u><u>4,654,242</u></u>
Capital and reserves					
Called up share capital	19		324		280
Share premium account	20		17,106,611		9,277,686
Other reserves			3,538		3,538
Profit and loss reserves			<u>(4,783,051)</u>		<u>(4,627,262)</u>
Total equity			<u><u>12,327,422</u></u>		<u><u>4,654,242</u></u>

The financial statements were approved by the board of directors and authorised for issue on 19 September 2024 and are signed on its behalf by:

Dr A U Genc
Director

Company registration number 11013848 (England and Wales)

EATRON TECHNOLOGIES LTD

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022 Unaudited as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		1,816,975		790,693
Tangible assets	12		140,162		230,206
Investments	13		9,700		9,700
			<u>1,966,837</u>		<u>1,030,599</u>
Current assets					
Debtors	15	1,470,565		921,150	
Cash at bank and in hand		9,086,783		2,932,098	
		<u>10,557,348</u>		<u>3,853,248</u>	
Creditors: amounts falling due within one year	16	(441,256)		(323,067)	
Net current assets			<u>10,116,092</u>		<u>3,530,181</u>
Net assets			<u>12,082,929</u>		<u>4,560,780</u>
Capital and reserves					
Called up share capital	19		324		280
Share premium account	20		17,023,547		9,126,319
Other reserves			3,538		3,538
Profit and loss reserves			(4,944,480)		(4,569,357)
Total equity			<u>12,082,929</u>		<u>4,560,780</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £375,124 (2022 as restated and unaudited: £4,135,922 loss).

The financial statements were approved by the board of directors and authorised for issue on 19 September 2024 and are signed on its behalf by:

Dr A U Genc
Director

Company registration number 11013848 (England and Wales)

EATRON TECHNOLOGIES LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium account	Equity settled share options	Profit and loss reserves	Total
Notes	£	£	£	£	£
Balance at 1 January 2022	280	9,277,686	564	(459,473)	8,819,057
Year ended 31 December 2022:					
Loss and total comprehensive income	-	-	-	(4,167,789)	(4,167,789)
Share options issued	-	-	2,974	-	2,974
Restated Balance at 31 December 2022:	280	9,277,686	3,538	(4,627,262)	4,654,242
Year ended 31 December 2023:					
Loss and total comprehensive income	-	-	-	(155,789)	(155,789)
Issue of share capital	19	44	7,897,228	-	7,897,272
Remeasurement of subsidiary share premium	-	(68,303)	-	-	(68,303)
Balance at 31 December 2023	324	17,106,611	3,538	(4,783,051)	12,327,422

EATRON TECHNOLOGIES LTD

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium account	Equity settled share options	Profit and loss reserves	Total
Notes	£	£	£	£	£
Balance at 1 January 2022	280	9,126,319	564	(433,435)	8,693,728
Year ended 31 December 2022:					
Loss and total comprehensive income for the year	-	-	-	(4,135,922)	(4,135,922)
Share options issued	-	-	2,974	-	2,974
Restated Balance at 31 December 2022:	280	9,126,319	3,538	(4,569,357)	4,560,780
Year ended 31 December 2023:					
Profit and total comprehensive income	-	-	-	(375,124)	(375,124)
Issue of share capital	19 44	7,897,228	-	-	7,897,272
Balance at 31 December 2023	324	17,023,547	3,538	(4,944,481)	12,082,928

EATRON TECHNOLOGIES LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022 Unaudited as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24		(891,326)		(4,434,238)
Interest paid			(1,146)		(77)
Income taxes refunded			577,824		260,674
Net cash outflow from operating activities			(314,648)		(4,173,641)
Investing activities					
Intangible Asset Additions		(1,339,588)		(83,391)	
Purchase of tangible fixed assets		(9,940)		(147,081)	
Proceeds from disposal of tangible fixed assets		29,184		-	
Interest received		47,556		11,046	
Net cash used in investing activities			(1,272,788)		(219,426)
Financing activities					
Proceeds from issue of shares		7,897,272		-	
Remeasurement of Share Premium at Year End		(68,302)		-	
Net cash generated from financing activities			7,828,970		-
Net increase/(decrease) in cash and cash equivalents			6,241,534		(4,393,067)
Cash and cash equivalents at beginning of year			3,000,437		7,393,504
Cash and cash equivalents at end of year			9,241,971		3,000,437

EATRON TECHNOLOGIES LTD

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022 Unaudited as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	25		(1,029,513)		(4,471,671)
Interest paid			(21)		-
Income taxes refunded			577,824		260,674
Net cash outflow from operating activities			(451,710)		(4,210,997)
Investing activities					
Intangible asset additions		(1,343,243)		(83,391)	
Purchase of tangible fixed assets		(9,940)		(90,530)	
Proceeds from disposal of tangible fixed assets		14,750		-	
Interest received		47,556		11,046	
Net cash used in investing activities			(1,290,877)		(162,875)
Financing activities					
Proceeds from issue of shares		7,897,272		-	
Net cash generated from financing activities			7,897,272		-
Net increase/(decrease) in cash and cash equivalents			6,154,685		(4,373,872)
Cash and cash equivalents at beginning of year			2,932,098		7,305,970
Cash and cash equivalents at end of year			9,086,783		2,932,098

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Eatron Technologies Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 11A, The Innovation Centre, Warwick Technology Park, Warwick, CV34 6UW.

The group consists of Eatron Technologies Ltd and of its one subsidiary.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Eatron Technologies Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the parent company and Group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors foresee the going concern of the business for 12 months from the approval of the financial statements based on the contracted and non-contracted sales pipeline anticipated, in year funding from existing shareholders and success of the further development of BMS (Battery Management Software) leading to increased sales from 2022. This will ensure that the group of entities and this company will be able to meet and manage relevant financial and non-financial commitments for the foreseeable future.

Whilst a loss in 2023 has been generated, a substantial improvement compared to 2022 has been seen largely due to the increased turnover as referred above.

Subsequent to this period the directors have overseen a period of growth and stability in the trading capacity of the group that has allowed it to continue funding the development requirements and day to day working capital of the business largely consisting of its employees across in the UK and Turkey. To this extent, the directors have comfort and support that they can obtain funds as required in order to precipitate any future and ongoing cashflow issues that may arise in the business.

Following a funding round in the financial year from its existing shareholders, this has led to a significant increase year on year in the group's reported cash position at the year end, sufficient to maintain operations of the group for a period of at least 12 months from the approval of the financial statements.

As such, due to the financial and continued support of the shareholders and directors of the business, and underlying improved performance of the business and asset value, the directors are confident that the company (and group) is a going concern for a period of at least 12 months from the date of the signing of the balance sheet.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of BMS (Battery Management Software) is recognised with reference to the stage of completion of each contract on a straight line method.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	10 years straight line
Intangible Trademark	10 years straight line
Development Costs	5 years straight line

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	15 years straight line
Plant and equipment	5 years straight line
Fixtures and fittings	25% reducing balance
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in the subsidiary are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Turnover and other revenue (Continued)

	2023	2022
	£	£
Other revenue		
Interest income	47,556	11,046
Grants received	-	52,694
	<u> </u>	<u> </u>

4 Operating loss 2023 2022 Unaudited
as restated

	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	103,812	13,793
Research and development tax credit	(635,964)	(577,824)
Government grants	-	(52,694)
Depreciation of owned tangible fixed assets	96,168	91,697
Amortisation of intangible assets	320,248	211,462
Operating lease charges	108,003	82,062
	<u> </u>	<u> </u>

5 Auditor's remuneration 2023 2022 Unaudited

	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	34,000	-
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group		Company	
2023 2022 Unaudited		2023 2022 Unaudited	
Number	Number	Number	Number
64	62	22	28
<u> </u>	<u> </u>	<u> </u>	<u> </u>

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group		Company	
	2023	2022 Unaudited	2023	2022 Unaudited
	£	£	£	£
Wages and salaries	2,896,276	3,154,902	1,492,655	1,736,113
Social security costs	176,037	211,488	176,037	211,488
Pension costs	70,421	70,832	70,421	70,832
	<u>3,142,734</u>	<u>3,437,222</u>	<u>1,739,113</u>	<u>2,018,433</u>

7 Directors' remuneration

	2023		2022 Unaudited	
	£	£	£	£
Remuneration for qualifying services			76,500	75,500
Social security costs			9,226	8,901
Company pension contributions to defined contribution schemes			2,642	2,642
			<u>88,368</u>	<u>87,043</u>

8 Interest receivable and similar income

	2023		2022 Unaudited	
	£	£	£	£
Interest income				
Interest on bank deposits			47,556	11,046
			<u>47,556</u>	<u>11,046</u>

9 Interest payable and similar expenses

	2023		2022 Unaudited	
	£	£	£	£
Interest on financial liabilities measured at amortised cost:				
Other interest on financial liabilities			21	-
Other finance costs:				
Other interest			1,125	77
Total finance costs			<u>1,146</u>	<u>77</u>

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Taxation

	2023	2022 Unaudited as restated
	£	£
Current tax		
UK corporation tax on loss for the current period	(635,964)	(577,824)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022 Unaudited as restated
	£	£
Loss before taxation	(791,753)	(4,745,613)
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2022 Unaudited as restated: 19%)	(150,433)	(901,666)
Disallowable Expenditure	57,098	64,485
Taxable Research and Development Expenditure credit	66,146	37,348
Research and Development Additional Deduction	(586,946)	(310,031)
Capital Allowances	-	(27,869)
Loss surrendered for tax credit	614,135	548,517
Unutilised tax losses	-	593,929
Research and development tax credit	(635,964)	(577,824)
Taxation credit	(635,964)	(577,824)

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Intangible fixed assets

Group	Patents & licences £	Intangible Trademark £	Development Costs £	Total £
Cost				
At 31 December 2022	112,726	3,655	1,022,255	1,138,636
Development Costs Restatement			(9,000)	(9,000)
Restated at 31 December 2022	112,726	3,655	1,013,255	1,129,636
Additions	164,913	1,130	1,177,200	1,343,243
Disposals	(10,360)	-	-	(10,360)
At 31 December 2023	267,279	4,785	2,190,455	2,462,519
Amortisation and impairment				
At 1 January 2023	17,131	1,609	309,367	328,107
Amortisation charged for the year	19,314	413	300,521	320,248
Disposals	(6,705)	-	-	(6,705)
At 31 December 2023	29,740	2,022	609,888	641,650
Carrying amount				
At 31 December 2023	237,539	2,763	1,580,567	1,820,869
At 31 December 2022	95,595	2,046	703,888	801,529
Company				
Cost				
At 31 December 2022	90,042	3,655	1,022,255	1,115,952
Development Costs Restatement			(9,000)	(9,000)
Restated at 31 December 2022	90,042	3,655	1,013,255	1,106,952
Additions	164,913	1,130	1,177,200	1,343,243
At 31 December 2023	254,955	4,785	2,190,455	2,450,195
Amortisation and impairment				
At 1 January 2023	5,283	1,609	309,367	316,259
Amortisation charged for the year	16,027	413	300,521	316,961
At 31 December 2023	21,310	2,022	609,888	633,220
Carrying amount				
At 31 December 2023	233,645	2,763	1,580,567	1,816,975
At 31 December 2022	84,759	2,046	703,888	790,693

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2023	42,522	184,866	84,961	187,925	500,274
Additions	-	-	431	9,509	9,940
Disposals	-	(20,868)	(33,237)	-	(54,105)
At 31 December 2023	42,522	163,998	52,155	197,434	456,109
Depreciation and impairment					
At 1 January 2023	5,813	87,847	42,385	94,956	231,001
Depreciation charged in the year	2,835	32,851	11,878	48,604	96,168
Eliminated in respect of disposals	-	(6,120)	(18,801)	-	(24,921)
At 31 December 2023	8,648	114,578	35,462	143,560	302,248
Carrying amount					
At 31 December 2023	33,874	49,420	16,693	53,874	153,861
At 31 December 2022	36,709	97,019	42,576	92,969	269,273
Company					
	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2023	42,522	184,866	10,731	187,925	426,044
Additions	-	-	431	9,509	9,940
Disposals	-	(20,868)	-	-	(20,868)
At 31 December 2023	42,522	163,998	11,162	197,434	415,116
Depreciation and impairment					
At 1 January 2023	5,813	87,847	7,222	94,956	195,838
Depreciation charged in the year	2,835	32,851	946	48,604	85,236
Eliminated in respect of disposals	-	(6,120)	-	-	(6,120)
At 31 December 2023	8,648	114,578	8,168	143,560	274,954
Carrying amount					
At 31 December 2023	33,874	49,420	2,994	53,874	140,162
At 31 December 2022	36,709	97,019	3,509	92,969	230,206

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Fixed asset investments

	Notes	Group		Company	
		2023	2022 Unaudited	2023	2022 Unaudited
		£	£	£	£
Investments in subsidiaries		-	-	9,700	9,700

Movements in fixed asset investments

Company		Shares in subsidiaries	
		£	
Cost			
At 1 January 2023 and 31 December 2023			9,700
Carrying amount			
At 31 December 2023			9,700
At 31 December 2022			9,700

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Eatron Yazilim ve Muhendislik Teknolojileri AS	Resitpasa Mah. Ari 6 Binası No:2/49/110 34467 Sariyer/ Istanbul	Ordinary	100.00

15 Debtors

	Group		Company	
	2023	2022 Unaudited as restated	2023	2022 Unaudited as restated
Amounts falling due within one year:	£	£	£	£
Trade debtors	450,297	68,345	450,300	68,346
Corporation tax recoverable	635,964	577,824	635,964	577,824
Amounts owed by group undertakings	-	-	8,308	20,851
Other debtors	214,707	164,563	81,368	67,313
Prepayments and accrued income	318,137	212,180	294,625	186,816
	1,619,105	1,022,912	1,470,565	921,150

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Creditors: amounts falling due within one year

	Group		Company	
	2023	2022 Unaudited as restated	2023	2022 Unaudited as restated
	£	£	£	£
Trade creditors	177,481	281,000	164,314	239,198
Other taxation and social security	165,144	66,775	111,101	48,549
Other creditors	7,457	64,016	7,539	7,202
Accruals and deferred income	158,302	28,118	158,302	28,118
	<u>508,384</u>	<u>439,909</u>	<u>441,256</u>	<u>323,067</u>

17 Retirement benefit schemes

Defined contribution schemes	2023		2022 Unaudited	
	£	£	£	£
Charge to profit or loss in respect of defined contribution schemes			70,421	70,832
			<u>70,421</u>	<u>70,832</u>

18 Equity Settled Share Options

Eatron Technologies Ltd has issued share options (equity settled) to both its UK and overseas employees.

255,500 share options have been granted to employees at 31 December 2023 (142,000: 31 December 2022).

203,500 share options remain outstanding at 31 December 2023 (117,500: 31 December 2022).

All option holders do not have a right to exercise their share options until an exit event occurs.

Management deem the share option expense to 31 December 2022 and 31 December 2023 to be immaterial to the financial statements.

19 Share capital

Group and company	2023		2022 Unaudited	
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary of 0.01p each	1,333,143	1,333,143	133	133
Seed of 0.01p each	440,000	440,000	44	44
Series A of 0.01p each	1,026,450	1,026,450	103	103
Series A2 of 0.01p each	278,573	-	28	-
Series A2b of 0.01p each	156,603	-	16	-
	<u>3,234,769</u>	<u>2,799,593</u>	<u>324</u>	<u>280</u>

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Share premium account

	Group		Company	
	2023	2022 Unaudited	2023	2022 Unaudited
	£	£	£	£
At the beginning of the year	9,277,686	9,277,686	9,126,319	9,126,319
Issue of series A2 shares of 0.01p each	4,995,280	-	4,995,280	-
Issue of series A2B shares of 0.01p each	2,901,948	-	2,901,948	-
Remeasurement of subsidiary share premium	(68,303)	-	-	-
	<u>17,106,611</u>	<u>9,277,686</u>	<u>17,023,547</u>	<u>9,126,319</u>

21 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2023	2022 Unaudited	2023	2022 Unaudited
	£	£	£	£
Within one year	72,699	53,227	21,989	29,916
Between two and five years	-	72,699	-	21,989
	<u>72,699</u>	<u>125,926</u>	<u>21,989</u>	<u>51,905</u>

22 Related party transactions

A fee was paid to one of the Directors of £36,000 in 2023 for acting Chairman in the period.

23 Controlling party

There is no ultimate controlling party at 31 December 2022 and 31 December 2023.

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Cash absorbed by group operations

	2023	2022	Unaudited as restated
	£		£
Loss for the year after tax	(155,789)		(4,167,789)
Adjustments for:			
Taxation credit	(635,964)		(577,824)
Finance costs	1,146		77
Investment income	(47,556)		(11,046)
Amortisation of intangible assets	320,248		211,462
Depreciation of tangible fixed assets	96,168		94,671
Movements in working capital:			
Increase in debtors	(538,053)		(207,091)
Increase in creditors	68,474		223,302
Cash absorbed by operations	<u>(891,326)</u>		<u>(4,434,238)</u>

25 Cash absorbed by operations - company

	2023	2022	Unaudited as restated
	£		£
Loss for the year after tax	(375,124)		(4,135,922)
Adjustments for:			
Taxation credit	(635,964)		(577,824)
Finance costs	21		-
Investment income	(47,556)		(11,046)
Amortisation of intangible assets	316,961		209,396
Depreciation of tangible fixed assets	85,236		87,910
Movements in working capital:			
Increase in debtors	(491,275)		(96,602)
Increase in creditors	118,188		52,417
Cash absorbed by operations	<u>(1,029,513)</u>		<u>(4,471,671)</u>

26 Analysis of changes in net funds - group

	1 January 2023	Cash flows	31 December 2023
	£	£	£
Cash at bank and in hand	3,000,437	6,241,534	9,241,971
	<u>3,000,437</u>	<u>6,241,534</u>	<u>9,241,971</u>

EATRON TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Analysis of changes in net funds - company

	1 January 2023	Cash flows	31 December 2023
	£	£	£
Cash at bank and in hand	2,932,098	6,154,685	9,086,783

28 Prior period adjustment

The prior period has been restated to reflect the following adjustments:

1. A net reduction of £9,000 in the development costs capitalised in 2022 which is as a result of writing off development costs of £838,600 relating to a project which came to an end in 2022 and capitalising ongoing project costs of £829,600 to which met the capitalisation criteria under FRS 102.

2. Balance sheet reclassification between Trade debtors and Accruals and Deferred Income of £137,312 as neither balance should have existed at 31 December 2022.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.