

Registered number
10815796

Spottitt Ltd

Unaudited Filleted Accounts

30 June 2023

Spottitt Ltd**Registered number:** 10815796**Balance Sheet****as at 30 June 2023**

	Notes	2023	2022
		£	£
Fixed assets			
Intangible assets	3	80,637	80,206
Tangible assets	4	153	204
Investments	5	23,363	23,363
		<u>104,153</u>	<u>103,773</u>
Current assets			
Debtors	6	-	65,096
Cash at bank and in hand		27,130	68,800
		<u>27,130</u>	<u>133,896</u>
Creditors: amounts falling due within one year	7	(133,560)	(84,930)
Net current (liabilities)/assets		<u>(106,430)</u>	<u>48,966</u>
Total assets less current liabilities		<u>(2,277)</u>	<u>152,739</u>
Creditors: amounts falling due after more than one year	8	(118,954)	(119,244)
Net (liabilities)/assets		<u>(121,231)</u>	<u>33,495</u>
Capital and reserves			
Called up share capital		355	355
Profit and loss account		(121,586)	33,140
Shareholders' funds		<u>(121,231)</u>	<u>33,495</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

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L Kennedy
Director

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P Senes
Director

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KIC Innoenergy S.E.
Director

Approved by the board on 23 February 2024

Spottitt Ltd

Notes to the Accounts

for the year ended 30 June 2023

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard). Warrants issued last year to exercise future variable number of the company's shares are treated as a financial liability in accordance with FRS102.

Going concern basis

There was a net deficiency of assets of (£121,231) at the balance sheet date, however the directors have confirmed there is continued support from funders for atleast 12 months from approval of these accounts and consider the company retains sufficient working capital to continue trading for the foreseeable future. In these circumstances, the directors have prepared the accounts on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses. Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the company can measure reliably the expenditure attributable to the intangible asset during its development. The expenditure capitalised includes the cost of specialist subcontractors services and direct labour. Other development expenditure is recognised in the profit and loss account as an expense as and when incurred. Capitalised development expenditure is stated at cost less accumulated amortisation less accumulated impairment losses. Amortisation is charged to the profit and loss on a straight line basis over the estimated useful economic lives of the intangible assets. The estimated useful lives of the capitalised development costs is 10 years based on anticipated cashflows relating to the development and the basis is reviewed periodically or when events changes.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	25% reducing basis
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Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any

accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (i.e. liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Employees	2023	2022
	Number	Number
Average number of persons employed by the company	<u>3</u>	<u>2</u>

3 Intangible fixed assets

Development costs (IP) £

Cost

At 1 July 2022	112,151
Additions ((internally generated)	12,938
At 30 June 2023	<u>125,089</u>

Amortisation

At 1 July 2022	31,945
Provided during the year	12,507
At 30 June 2023	<u>44,452</u>

Net book value

At 30 June 2023	<u>80,637</u>
At 30 June 2022	<u>80,206</u>

Development cost (IP) is being written off in equal annual instalments over its estimated economic life of 10 years. No impairment charge was recognised in the period (2022: £Nil). Development costs relate to systems currently and expected to remain in use by the company. Future economic benefit is expected to derive from all intangible fixed assets and accordingly the directors deem no impairment charge is required.

4 Tangible fixed assets

Plant and machinery etc £

Cost

At 1 July 2022	858
At 30 June 2023	<u>858</u>

Depreciation

At 1 July 2022	654
Charge for the year	51
At 30 June 2023	<u>705</u>

Net book value

At 30 June 2023	<u>153</u>
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5 Investments- subsidiary

	Investments in subsidiary undertakings £
Cost	
At 1 July 2022	23,363
At 30 June 2023	<u>23,363</u>

Investments relates to a 100% share holding in Spottitt Sp. Zoo registered in Kielczów, Poland. As the company held more than a 20% holding, the detailed disclosures as at 30 June 2023 are as stated below:

Company	Shares held Class	Percentage held %	Capital and reserves £	Profit (loss) for the period £
Spottitt Sp. Zoo (registered in Poland)	Ordinary	100	(67,857)	62,085

6 Debtors	2023 £	2022 £
Trade debtors	-	63,500
Other debtors	-	1,596
	<u>-</u>	<u>65,096</u>

7 Creditors: amounts falling due within one year	2023 £	2022 £
Warrants liability (KIC Innoenergy S.E. See note 11.)	50,477	50,477
Trade creditors	71,635	14,834
Taxation and social security costs	3,245	10,375
Other creditors (incl. DLA 2023: £4,703 & 2022: £4,703 LK)	8,203	9,244
	<u>133,560</u>	<u>84,930</u>

8 Creditors: amounts falling due after one year	2023 £	2022 £
Accrued interest on shareholders loans	19,511	14,012
Bounce Back Loan (re: Covid Loan Government secured)	20,885	26,674
Other creditors (shareholders loan advances see note 11)	78,558	78,558
	<u>78,558</u>	<u>78,558</u>

118,954

119,244

The shareholders loan agreement commenced 01.03. 2018 (5yrs) & was due for repayment in 2023

but has been carried forward on the same basis until further notice.

Interest is accrued at a rate of 4% above the Euribor rate and payable on the repayment date.

9 Loans	2023	2022
	£	£
Creditors include Bounce Back Loan (re: Covid Government secured):		
Instalments falling due for payment within five years	20,885	26,674
	<u>20,885</u>	<u>26,674</u>
Bounce bank loan secured by Government	20,885	26,674
	<u>20,885</u>	<u>26,674</u>

On 13.11.2020 the company received a 6-year term Bounce Back Loan of £30,000, 100% guaranteed by the Government with no fee or interest for the first 12 months and thereafter at a rate of 2.5% interest p.a. to help with the working capital.

10 Events after the reporting date

After the balance sheet date, as registered with Companies House in January 2024, new shares were allotted and the above mentioned warrants were converted to equity.

11 Related party transactions

During the year the total amount of sales invoices issued to the subsidiary company Spottitt Sp Zoo in Poland was £nil. The total consultancy charges from the subsidiary to the parent company during the year was £35,680 (186,550PLN) The company's investment at 100% in the subsidiary remained unchanged at £23,363 (130,000PLN). see note 5. above. During the year total consultancy costs from Threa SRL (a Belgium company in which P Senes is the director) amounted to £15,665 (Euros 18,000) and the balance outstanding as at the year end was £7,842 (Euros 9 , 0 0 0) .

Included within note 8 above, is total loan advances of £78,558 in March 2018 from shareholders, two of whom are also directors, i.e. L Kennedy £28,124 and P Senes £23,670 via his Belgium company (Paolo Senes SPRL). The balance £26,764 was advanced by M Deplano who is a shareholder but not a director. Interest provision thereto for the year amounts to £5,499 making the cumulative amount £19,511 which remains unpaid until a future repayment date of the loan is agreed .

Included in note 7. above under other creditors is brought forward amounts owed to L Kennedy (director) of £4,703 with regards to previous years short term cashflow advances.

On 10 December 2021 KIC InnoEnergy SE company registered in The Netherlands (a corporate director and 15.49% shareholder in Spottitt Ltd) acquired warrants of £50,477 (Euros 60,000) in 2021 as disclosed per note 7. above to be exercised in the future at a trigger date being the earlier of an investment of at least Euros 250,000 from new investors or by December 2023. These warrants gives it the right to subscribe for a variable number of shares at the trigger date in accordance with the principles and conditions stated in the warrants agreement . Currently the warrants payment of £50,477 (Euros 60,000) is stated as a financial liability under note 7. in accordance with FRS 102 s22.3 (b) (i) until such time as when it converts into equity when the variable number of shares are acquired.

12 Controlling party

The company is owned by four shareholders. The corporate director KIC InnoEnergy SE (owns

15.49%) with the other two company directors (L Kennedy and P Senes, who owns 28.17% each) along with the third shareholder being M Deplano as mentioned per the related party note 11. above who owns the remaining 28.17%. Accordingly there is no individual ultimate controlling party.

13 Other information

Spottitt Ltd is a private company limited by shares and incorporated in England. Its registered office is:

Electron Building
Fermi Avenue
Harwell Oxford
Oxon
OX11 0QR

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