

Registered number  
10815796

Spottitt Ltd

Unaudited Filleted Accounts

31 December 2023

**Spottitt Ltd****Registered number:** 10815796**Balance Sheet****as at 31 December 2023**

	Notes	31/12/23 £	30/6/23 £
<b>Fixed assets</b>			
Intangible assets	3	82,412	80,637
Tangible assets	4	134	153
Investments	5	23,363	23,363
		<u>105,909</u>	<u>104,153</u>
<b>Current assets</b>			
Debtors	6	281,243	-
Cash at bank and in hand		90,752	27,130
		<u>371,995</u>	<u>27,130</u>
<b>Creditors: amounts falling due within one year</b>	7	(71,849)	(133,560)
<b>Net current assets/(liabilities)</b>		<u>300,146</u>	<u>(106,430)</u>
<b>Total assets less current liabilities</b>		<u>406,055</u>	<u>(2,277)</u>
<b>Creditors: amounts falling due after more than one year</b>	8	(199,030)	(118,954)
<b>Net assets/(liabilities)</b>		<u>207,025</u>	<u>(121,231)</u>
<b>Capital and reserves</b>			
Called up share capital		385	355
Share premium		275,254	-
Profit and loss account		(68,614)	(121,586)
<b>Shareholders' funds</b>		<u>207,025</u>	<u>(121,231)</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 5 July 2024

# Spottitt Ltd

## Notes to the Accounts

for the period from 1 July 2023 to 31 December 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). Convertible loans are treated as a financial liability in accordance with FRS102. Warrants issued in prior years were exercised in this year and converted into Equity. The company changed its accounting period to end on 31 December to bring it in line with its subsidiary's year end.

#### ***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.

<b>2 Employees</b>	<b>31/12/23</b>	<b>30/6/23</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	3	2

### 3 Intangible fixed assets

#### Development costs (IP)

£

#### Cost

At 1 July 2023	125,089
Additions (( internally generated)	8,451
At 31 December 2023	<u>133,540</u>

#### Amortisation

At 1 July 2023	44,452
Provided during the period	6,676
At 31 December 2023	<u>51,128</u>

#### Net book value

At 31 December 2023	<u>82,412</u>
At 30 June 2023	<u>80,637</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 (2023 June: £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 2023	858
At 31 December 2023	<u>858</u>

#### Depreciation

At 1 July 2023	705
Charge for the period	19
At 31 December 2023	<u>724</u>

#### Net book value

At 31 December 2023	<u>134</u>
At 30 June 2023	<u>153</u>

### 5 Investments- subsidiary

**Investments in  
subsidiary  
undertakings  
£**

**Cost**

At 1 July 2023	23,363
At 31 December 2023	23,363

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 31 December 2023 are as stated below:

<b>Company</b>	<b>Shares held Class</b>	<b>Percentage held %</b>	<b>Capital and reserves £</b>	<b>Profit (loss) for the period £</b>
Spottitt Sp. Zoo (registered in Poland)	Ordinary	100	(72,070)	(4,708)
<b>6 Debtors</b>			<b>31/12/23</b>	<b>30/6/23</b>
			<b>£</b>	<b>£</b>
Trade debtors			110,887	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest			169,571	-
Other debtors			785	-
			281,243	-
<b>7 Creditors: amounts falling due within one year</b>			<b>31/12/23</b>	<b>30/6/23</b>
			<b>£</b>	<b>£</b>
Convertible Loans ( June 2023:Non-equity warrants see note 11.)			-	50,477
Trade creditors			36,665	71,635
Taxation and social security costs			12,775	3,245
Other creditors ( incl. DLA 2023 Dec: £3,203 & 2023 Jun: £4,703 LK )			22,409	8,203
			71,849	133,560
<b>8 Creditors: amounts falling due after one year</b>			<b>31/12/23</b>	<b>30/6/23</b>
			<b>£</b>	<b>£</b>
Accrued interest on shareholders loans			22,535	19,511
Bounce Back Loan (re: Covid Loan Government secured)			17,937	20,885
Convertible loan ( matures 25.02.2025)			80,000	-
Other creditors ( shareholders loan advances see note 11)			78,558	78,558

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199,030

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118,954

On 26.08.2023 convertible loans were received from KIC InnoEnergy (£19,028) Lucy Kennedy (£30,486) and Threa SRL (£30,486) total £80,000 at a rate of 8% p.a payable on maturity date 25.02.2025. If before the maturity date a qualifying equity investment round of £300,000 or more is closed, then this convertible loan notes will automatically convert to equity at a 30% discount for all lenders.

The original 2018 shareholders loan agreement has been carried forward on the same basis for a further 5 years to June 2028. Interest is accrued at a rate of 4% above the Bank of England rate and payable on the repayment date. Repayment of this debt will be the earlier of Spottitt Ltd receiving funding in any financial year of £860,000 or the Board of directors unanimously agree that the post tax profits are sufficient for repayment or five years from the effective date being in June 2028.

<b>9 Loans</b>	<b>31/12/23</b>	<b>30/6/23</b>
	<b>£</b>	<b>£</b>
Creditors include Bounce Back Loan (re: Covid Government secured):		
Instalments falling due for payment within five years	17,937	20,885
	<hr/>	<hr/>
Bounce bank loan secured by Government	17,937	20,885
	<hr/>	<hr/>

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, on 12 February 2024, KIC InnoEnergy SE company registered in The Netherlands ( a corporate director and 21.753% shareholder in Spottitt Ltd) were issued additional new shares in order that their holding would not be diluted when the employee share option for 80,000 A ordinary shares were exercised by Niccolo Teodori ( the Chief Growth Officer at Spottitt Ltd). On 31 May 2024 Spottitt Ltd received an Advance Subscription Agreement funds from RSCM Fund V, L.P. of USD\$ 500,000 for AS ordinary shares to be issued pursuant to an Exit Event or a Qualifying Financing at a price lower of 20% discount to subscription price or ( as applicable) the exit price.

## 11 Related party transactions

During the period the total amount of sales invoices issued to the subsidiary company Spottitt Sp Zoo in Poland was £74,869. The total consultancy charges from the subsidiary to the parent company during the period was £nil (nil LN). During the period the company advanced loans totalling £169,571 (853,300 PLN) repayable by 31 December 2024 with interest due at maturity at WIBOR 3M +2.4%. The company's investment at 100% in the subsidiary remained unchanged at £23,363 (130,000PLN). see note 5. above. During the period total consultancy costs from Threa SRL (a Belgium company in which P Senes is the director) amounted to £3,904 ( Euros 4,500) and the balance outstanding as at the year end was £nil (Euros nil). 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 period amounts to £3,024 making the cumulative amount £22,535 which remains unpaid until maturity in June 2028. Included in note 7. above under other creditors is brought forward amounts owed to L Kennedy (director) of £3,203 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 21.753% shareholder in Spottitt Ltd) acquired warrants of £50,477 ( Euros 60,000) as disclosed per note 7. which were exercised and converted into 76,071 ordinary shares of £0.0001 each in December 2023 as well as receiving additional 14,734 new shares on 12 February 2024 to offset any dilution of ownership following the exercise of the employee share option by Niccolo Teodori see note 10. above. Niccolo Teodori charged £36,017 (US\$ 45,133) consultancy and commission fees during the period. On 26 August 2023 Spottitt Ltd entered a convertible loan agreement with three shareholders and or directors, KIC InnoEnergy SE (£19,028), L Kennedy (£30,486) and Threa SRL (£30,486, a Belgium company in which P Senes is a director) totalling £80,000 at an annual interest rate of 8% p.a. maturing on 25 February 2025 unless if before maturity a qualifying equity round of £300,000 is closed then this convertible loan will automatically convert to equity at a 30% discount for all three lenders.

## **12 Controlling party**

The company is owned by several shareholders, following new issues in the period with majority holdings being, The corporate director KIC InnoEnergy SE ( owns 21.753% ) with the other two company directors ( L Kennedy and P Senes, who owns 34.426% each) along with the original cofounder M Deplano who owns 5.188% with the remaining 4.207% being owned by new subscribers in the period. The new share issues in the period created a share premium of £275,254. 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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