

HABITAT ENERGY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

HABITAT ENERGY LIMITED
REGISTERED NUMBER: 10923911

BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 41,034 | 28,007 |
| Investments | 5 | 595,522 | 239,868 |
| | | <u>636,556</u> | <u>267,875</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 3,605,700 | 687,328 |
| Cash at bank and in hand | 7 | 3,587,250 | 3,696,355 |
| | | <u>7,192,950</u> | <u>4,383,683</u> |
| Creditors: amounts falling due within one year | 8 | (5,047,399) | (2,708,766) |
| Net current assets | | <u>2,145,551</u> | <u>1,674,917</u> |
| Total assets less current liabilities | | <u>2,782,107</u> | <u>1,942,792</u> |
| Creditors: amounts falling due after more than one year | 9 | - | (44,483) |
| Net assets | | <u><u>2,782,107</u></u> | <u><u>1,898,309</u></u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 3,638 | 3,239 |
| Share premium account | | 5,494,657 | 2,846,755 |
| Other reserves | | - | 101,158 |
| Profit and loss account | | (2,716,188) | (1,052,843) |
| | | <u><u>2,782,107</u></u> | <u><u>1,898,309</u></u> |

HABITAT ENERGY LIMITED
REGISTERED NUMBER: 10923911

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
Mr A Luers
Director

Date: 28 September 2022

The notes on pages 3 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Habitat Energy Limited is a private limited company registered in England and Wales.

The registered office is 5th Floor 53/54 Grosvenor Street, London, W1K 3HU.

The company's registered number is 10923911.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | | |
|--------------------|---|-----|---------------|
| Office equipment | - | 33% | Straight-line |
| Computer equipment | - | 33% | Straight-line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 29 (2020 - 22).

4. Tangible fixed assets

| | Office equipment £ | Computer equipment £ | Total £ |
|-------------------------------------|--------------------------|----------------------------|---------------|
| Cost or valuation | | | |
| At 1 January 2021 | 13,845 | 35,615 | 49,460 |
| Additions | 6,720 | 27,033 | 33,753 |
| At 31 December 2021 | <u>20,565</u> | <u>62,648</u> | <u>83,213</u> |
| Depreciation | | | |
| At 1 January 2021 | 6,298 | 15,155 | 21,453 |
| Charge for the year on owned assets | 5,251 | 15,475 | 20,726 |
| At 31 December 2021 | <u>11,549</u> | <u>30,630</u> | <u>42,179</u> |
| Net book value | | | |
| At 31 December 2021 | <u>9,016</u> | <u>32,018</u> | <u>41,034</u> |

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 January 2021 | 239,868 |
| Additions | 355,654 |
| | <hr/> |
| At 31 December 2021 | <u>595,522</u> |

6. Debtors

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|----------------|
| Trade debtors | 762,533 | 206,672 |
| Amounts owed by group undertakings | 28,124 | - |
| Other debtors | 2,582,086 | 185,479 |
| Prepayments and accrued income | 232,957 | 295,177 |
| | <hr/> | <hr/> |
| | <u>3,605,700</u> | <u>687,328</u> |

7. Cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | 3,587,250 | 3,696,355 |
| | <hr/> | <hr/> |
| | <u>3,587,250</u> | <u>3,696,355</u> |

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans | 44,483 | 5,517 |
| Trade creditors | 2,288,796 | 1,121,186 |
| Other taxation and social security | 146,977 | 487,423 |
| Other creditors | 2,560,385 | 1,089,200 |
| Accruals and deferred income | 6,758 | 5,440 |
| | <u>5,047,399</u> | <u>2,708,766</u> |

9. Creditors: Amounts falling due after more than one year

| | 2021 | 2020 |
|------------|----------|---------------|
| | £ | £ |
| Bank loans | - | 44,483 |
| | <u>-</u> | <u>44,483</u> |

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Loans

Analysis of the maturity of loans is given below:

| | 2021 £ | 2020 £ |
|--|---------------------|---------------------|
| Amounts falling due within one year | | |
| Bank loans | 44,483 | 5,517 |
| | <hr/> 44,483 | <hr/> 5,517 |
| Amounts falling due 1-2 years | | |
| Bank loans | - | 9,646 |
| | <hr/> - | <hr/> 9,646 |
| Amounts falling due 2-5 years | | |
| Bank loans | - | 30,428 |
| | <hr/> - | <hr/> 30,428 |
| Amounts falling due after more than 5 years | | |
| Bank loans | - | 4,409 |
| | <hr/> - | <hr/> 4,409 |
| | <hr/> 44,483 | <hr/> 50,000 |

The bank loan relates to a Business Bounce Back Loan from HSBC. This loan carries a government backed guarantee. The loan was repaid in full on 5 January 2022.

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Share capital

| | 2021 | 2020 |
|--|--------------|--------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 2,247,181 (2020 - 2,247,180) A Ordinary Shares shares of £0.001 each | 2,247 | 2,247 |
| 1,390,706 (2020 - 992,478) D Ordinary Shares shares of £0.001 each | 1,391 | 992 |
| | <u>3,638</u> | <u>3,239</u> |

During the year under review 263,508 D Ordinary shares of £0.001 were issued at £5.56 per share.

A further 134,720 D Ordinary shares of £0.001 were issued at £3.06 per share.

1 A Share was also issued at £771,609.

HABITAT ENERGY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Share based payments

Habitat Energy Limited operates an equity-settled share based remuneration scheme for employees and directors.

The share options have the following performance conditions:

- Each option granted is based upon the individual performance of the employee and length of service.
- The vesting period for share options granted is typically 3 years.

All share options were fully exercised at the balance sheet date and therefore the total number of share options in the pool as at 31 December 2021 was 0.

The black-scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in materially accurate estimate of the fair value options granted.

The total expense recognised in the profit or loss for the year in respect of share based payments is £198,580 (2020: £58,704).

The total carrying amount at the end of the year for liabilities arising from share-based payment transactions is £Nil (2020: £101,158)

| | Weighted average exercise price (pence) 2021 | Number 2021 | <i>Weighted average exercise price (pence) 2020</i> | <i>Number 2020</i> |
|---|---|------------------------|---|------------------------|
| Outstanding at the beginning of the year | 1.33 | 173,435 | 0.13 | 102,435 |
| Granted during the year | 3.88 | 227,720 | 3.06 | 71,000 |
| Forfeited during the year | 1.37 | (55,205) | | - |
| Exercised during the year | 3.13 | (345,950) | | - |
| Outstanding at the end of the year | - | - | <i>1.33</i> | <i>173,435</i> |
| | | | 2021 | 2020 |
| | | | £ | £ |
| Equity-settled schemes | | | 198,580 | 58,704 |
| | | | 198,580 | 58,704 |

HABITAT ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Pension commitments

The Company contributes into a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £29,831 (2020 - £19,311). Contributions totalling £Nil (2020 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

14. Related party transactions

A Luers is also a director of Quark Energy Trading Limited. At the period end, the company was owed £28,124 by Quark Energy Trading Limited. The loan is interest free and there is no fixed date for repayment.

15. Controlling party

The parent undertaking is Renewable and Grid Services Limited.

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.