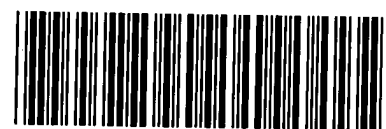


TEVVA MOTORS LIMITED
Financial Statements
for the Year Ended 31 December 2017

BREBNEERS
Chartered Accountants & Statutory Auditor
1 Suffolk Way
Sevenoaks
Kent
TN13 1YL

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COMPANIES HOUSE

TEVVA MOTORS LIMITED

Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	1,127,666	-
Tangible assets	5	<u>80,679</u>	<u>2,960</u>
		<u>1,208,345</u>	<u>2,960</u>
Current assets			
Stocks	6	5,729	-
Debtors	7	352,109	68,703
Cash at bank and in hand		<u>78,592</u>	<u>3,145</u>
		436,430	71,848
Creditors: Amounts falling due within one year	8	<u>(5,070,346)</u>	<u>(2,994,543)</u>
Net current liabilities		<u>(4,633,916)</u>	<u>(2,922,695)</u>
Net liabilities		<u>(3,425,571)</u>	<u>(2,919,735)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		<u>(3,425,572)</u>	<u>(2,919,736)</u>
Total equity		<u>(3,425,571)</u>	<u>(2,919,735)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Statement of Income and Retained Earnings has been taken.

Approved and authorised by the director on 28/9/18

Mr A D Bennett
Director

Company registration number: 08368694

The notes on pages 2 to 6 form an integral part of these financial statements.

TEVVA MOTORS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

1 GENERAL INFORMATION

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

37 Hanbury Road

Chelmsford

Essex

CM1 3AE

The principal activity of the company is that of the development of electric range extended trucks.

2 ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Going concern

The company made a loss after taxation for the year ended 31 December 2017 of £505,836 and the statement of financial position at the date showed net liabilities of £3,425,571.

At 31 December 2017 an amount of £3,765,929 was due to the parent undertaking who has agreed not to call for the repayment of the amount due and has agreed to advance further funds in the forthcoming year to enable the company to meet its financial commitments and to provide sufficient working capital to enable the company to develop and manufacture trucks. The parent undertaking is in the process of fundraising and these funds has committed to advance amounts received to the company.

After making enquires, the director has a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the annual accounts.

Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

Development expenditure is capitalised and amortised over the expected useful life once commercial production has begun.

Development expenditure includes directly attributable salary costs, consulting fees and other relevant costs incurred to develop the technology as well as the production costs to develop a prototype truck.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 28 September 2018 was Martin Widdowson, who signed for and on behalf of Brebners.

TEVVA MOTORS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods or provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities.

Grant income is recognised in accordance with the performance model where amounts are recognised to turnover only where all performed criteria have been fulfilled.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and Machinery	25% reducing balance
Equipment	25% educing balance

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Development costs	Over 4 to 6 years

TEVVA MOTORS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 STAFF NUMBERS

The average number of persons employed by the company during the year, was 18 (2016 - 9).

4 INTANGIBLE ASSETS

	Development costs £
Cost or valuation	
Additions internally developed	<u>1,127,666</u>
At 31 December 2017	<u>1,127,666</u>
Amortisation	
Carrying amount	
At 31 December 2017	<u><u>1,127,666</u></u>

TEVVA MOTORS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

5 TANGIBLE ASSETS

	Equipment £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2017	6,761	8,342	15,103
Additions	<u>8,374</u>	<u>88,774</u>	<u>97,148</u>
At 31 December 2017	<u>15,135</u>	<u>97,116</u>	<u>112,251</u>
Depreciation			
At 1 January 2017	4,960	7,183	12,143
Charge for the year	<u>1,674</u>	<u>17,755</u>	<u>19,429</u>
At 31 December 2017	<u>6,634</u>	<u>24,938</u>	<u>31,572</u>
Carrying amount			
At 31 December 2017	<u><u>8,501</u></u>	<u><u>72,178</u></u>	<u><u>80,679</u></u>
At 31 December 2016	<u><u>1,801</u></u>	<u><u>1,159</u></u>	<u><u>2,960</u></u>

6 STOCKS

	2017 £	2016 £
Stock	<u>5,729</u>	<u>-</u>

7 DEBTORS

	2017 £	2016 £
Trade debtors	300	-
Other debtors	<u>351,809</u>	<u>68,703</u>
	<u><u>352,109</u></u>	<u><u>68,703</u></u>

Other Debtors above includes an amount of £24,800 (2016: £24,800) recoverable after more than 12 months.

TEVVA MOTORS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2017

8 CREDITORS

Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	348,668	93,324
Amounts owed to group undertakings	3,765,929	2,888,505
Taxation and social security	25,228	214
Accruals and deferred income	873,173	12,500
Other creditors	57,348	-
	<u>5,070,346</u>	<u>2,994,543</u>

9 OPERATING LEASES

The total amount of lease payments under non-cancellable operating leases amount to £518,875 (2016 - £313,750).

10 RELATED PARTY TRANSACTIONS

In accordance with FRS 102 1A paragraph C.35 exemption has been taken not to disclose transactions in the year between group undertakings that are wholly owned within the group.

11 POST BALANCE SHEET EVENT

After date investment

Subsequent to 31 December 2017 the parent company has raised further investment capital amounting to £10,000,000 of which £3,700,000 has been advanced to the company.