

Company registration number 09891877 (England and Wales)

# **BRAMBLE ENERGY LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**PAGES FOR FILING WITH REGISTRAR**

# **BRAMBLE ENERGY LTD**

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# **BRAMBLE ENERGY LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company is the development and manufacture of PCB fuel cells.

#### **Results and dividends**

The results for the year are set out on .

Building on the achievements of 2020, 2021 was a transformational year for Bramble with significant progress made both commercially and operationally.

#### **Mobility Solutions**

During 2021, in collaboration with MAHLE Powertrain, Bramble demonstrated the integration of its PCBFC™ technology into a light commercial vehicle designed to extend the range of the battery electric vehicle. The project took under 1 year from concept to vehicle demonstration.

Bramble also engaged in a number of other collaboration projects during the year with applications across land, sea and air. This included a feasibility study with an eVTOL business and a 10kW system for a marine demonstration seagoing vessel.

#### **Portable Solutions**

Bramble Energy successfully developed and trialled a new portable power solution (called 'SDX') during 2021 which is set for a wider commercial launch during the first half of 2022. The SDX range will provide clean, off-grid power using Bramble's patented PCBFC™ technology.

#### **Platform Applications**

Bramble Energy are developing scalable electrolysis technology using the core competencies of the business and in early 2022 received grant funding from the department for Business, Energy & Industrial Strategy (BEIS) to support this development.

A number of other applications of Bramble's core technology are in various stages of development.

#### **Operational Updates**

2021 saw the business rapidly expand both technologically and operationally. The number of employees has risen rapidly throughout the year and will continue to rise during 2022 and beyond. Investment in development, facility and testing capabilities has also ramped up during 2021 and into 2022.

#### **Funding**

Bramble successfully closed a Series B funding round in February 2022 which resulted in over £35m of new cash in the business. The round was led by HydrogenOne Capital plc with all existing major investors also participating. The new funding will be used to accelerate development of mobility products, commercialisation of portable solutions and the further expansion of the team. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

## **BRAMBLE ENERGY LTD**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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##### **Directors**

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

Dr T J Mason	
IP2IPO Services Limited	
Mr C G Scrivener	
Mr J M Simon	(Resigned 5 July 2021)
Parkwalk Advisors Ltd	
Mr I Downing	(Appointed 5 July 2021)
Mr R J Hulf	(Appointed 14 February 2022)
Mr J Schmitt	(Appointed 1 March 2022)
Mrs N Hodson	(Appointed 12 March 2022)

##### **Auditor**

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

##### **Statement of disclosure to auditor**

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

##### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

**Dr T J Mason**  
**Director**

22 September 2022

**BRAMBLE ENERGY LTD****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>Non-current assets</b>			
Intangible assets	3	355,334	297,748
Property, plant and equipment	4	3,134,060	554,418
		<u>3,489,394</u>	<u>852,166</u>
<b>Current assets</b>			
Trade and other receivables	5	936,702	311,549
Current tax recoverable		16,365	82,297
Cash and cash equivalents		869,962	3,689,915
		<u>1,823,029</u>	<u>4,083,761</u>
<b>Current liabilities</b>			
Trade and other payables	8	317,251	78,045
Convertible loan notes	7	3,000,000	-
Lease liabilities	9	197,788	-
		<u>3,515,039</u>	<u>78,045</u>
<b>Net current (liabilities)/assets</b>		<u>(1,692,010)</u>	<u>4,005,716</u>
<b>Non-current liabilities</b>			
Lease liabilities	9	78,068	-
Long term provisions	10	25,000	-
		<u>103,068</u>	<u>-</u>
<b>Net assets</b>		<u>1,694,316</u>	<u>4,857,882</u>
<b>Equity</b>			
Called up share capital	11	72	68
Share premium account	13	6,258,717	6,258,626
Retained earnings		(4,564,473)	(1,400,812)
<b>Total equity</b>		<u>1,694,316</u>	<u>4,857,882</u>

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

The directors of the company have elected not to include a copy of the income statement within the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 22 September 2022 and are signed on its behalf by:

**BRAMBLE ENERGY LTD**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2021**

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**Dr T J Mason**  
**Director**

**Company registration number 09891877**

# **BRAMBLE ENERGY LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies**

##### **Company information**

Bramble Energy Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 6 Satellite Business Village, Fleming Way, Crawley, RH10 9NE. The company's principal activities and nature of its operations are disclosed in the directors' report.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

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.

The company has adopted International Financial Reporting Standards (IFRS) for the first time during the year ended 31 December 2021. There has been no changes to the entity's previously reported financial position as a result of this transition.

##### **1.2 Going concern**

The directors have at the time of approving the financial statements, a reasonable expectation that the company 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.

On 14 February 2022 the company successfully completed a Series B funding round which saw £35m of cash injected into the business. Management intend to use these funds to grow the team and commercialise Bramble's products.

##### **1.3 Revenue**

Revenue 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.

Revenue is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable. Revenue is recognised in full upon the transfer of goods or services to the customer.

##### **1.4 Intangible 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.

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:

- Software - 10% and 33% straight line
- Patents - 5% straight line

## BRAMBLE ENERGY LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### 1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, 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:

Improvements to property	10% straight line
Fixtures and fittings	33% straight line
Plant and equipment	10% straight line
Computer equipment	33% straight line
Motor vehicles	25% straight line
Right of Use Assets	Over the term of the lease

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 income statement.

##### 1.6 Impairment of tangible and intangible assets

At each reporting period end date, the company 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the or account.

##### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and includes cash held at call with banks.

##### 1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.



## BRAMBLE ENERGY LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### **Financial assets at fair value through profit or loss**

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

##### **Financial assets held at amortised cost**

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

##### **Impairment of financial assets**

Financial assets, 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 the or account.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### 1.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

##### **Other financial liabilities**

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

## BRAMBLE ENERGY LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### 1.10 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

##### 1.11 Equity instruments

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

##### 1.12 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 income statement 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 company'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 is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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 when the company has 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.

## **BRAMBLE ENERGY LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **1 Accounting policies**

**(Continued)**

### **1.13 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event and it is probable that the company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

### **1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### **1.16 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

### **1.17 Leases**

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

## **BRAMBLE ENERGY LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies**

**(Continued)**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

##### **1.18 Grants**

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### **1.19 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

##### **1.20 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.

# **BRAMBLE ENERGY LTD**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2021**

### **2 Employees**

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
	25	7
	<u>          </u>	<u>          </u>

### **3 Intangible assets**

	<b>Software</b>	<b>Patents &amp; licences</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2020	5,500	85,142	90,642
Additions	33,970	188,389	222,359
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	39,470	273,531	313,001
Additions - purchased	2,475	83,348	85,823
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	41,945	356,879	398,824
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Amortisation and impairment</b>			
At 1 January 2020	2,246	2,836	5,082
Charge for the year	4,324	5,847	10,171
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	6,570	8,683	15,253
Charge for the year	12,699	15,538	28,237
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	19,269	24,221	43,490
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 December 2021	22,676	332,658	355,334
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	32,900	264,848	297,748
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2019	3,254	82,306	85,560
	<u>          </u>	<u>          </u>	<u>          </u>

# BRAMBLE ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4 Property, plant and equipment		Improvements to property	Assets under construction	Plant and equipment	Fixtures and fittings	Computer equipment	Motor vehicles	Right of Use Assets	Total
		£	£	£	£	£	£	£	£
<b>Cost</b>									
At 1 January 2020		-	-	-	-	10,501	-	-	10,501
Additions		42,955	-	30,011	418,822	85,288	39,450	-	616,526
At 31 December 2020		42,955	-	30,011	418,822	95,789	39,450	-	627,027
Additions		76,264	1,602,026	29,546	584,419	131,073	19,995	507,126	2,950,449
Disposals		-	-	-	-	(8,816)	-	-	(8,816)
At 31 December 2021		119,219	1,602,026	59,557	1,003,241	218,046	59,445	507,126	3,568,660
<b>Accumulated depreciation and impairment</b>									
At 1 January 2020		-	-	-	-	7,501	-	-	7,501
Charge for the year		1,053	-	691	48,839	12,141	2,384	-	65,108
At 31 December 2020		1,053	-	691	48,839	19,642	2,384	-	72,609
Charge for the year		7,194	-	3,239	175,959	47,275	11,008	126,132	370,807
Eliminated on disposal		-	-	-	-	(8,816)	-	-	(8,816)
At 31 December 2021		8,247	-	3,930	224,798	58,101	13,392	126,132	434,600
<b>Carrying amount</b>									
At 31 December 2021		110,972	1,602,026	55,627	778,443	159,945	46,053	380,994	3,134,060
At 31 December 2020		41,902	-	29,320	369,983	76,147	37,066	-	554,418

**BRAMBLE ENERGY LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

Property, plant and equipment includes right-of-use assets, as follows:

<b>Right-of-use assets</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net values at the year end</b>		
Property	262,281	-
Motor vehicles	118,713	-
	<u>380,994</u>	<u>-</u>
<b>Total additions in the year</b>	<u>507,126</u>	<u>-</u>
<b>Depreciation charge for the year</b>		
Property	<u>126,132</u>	<u>-</u>

**5 Trade and other receivables**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
VAT recoverable	384,212	64,441
Other receivables	7,200	43,204
Prepayments	545,290	203,904
	<u>936,702</u>	<u>311,549</u>

**6 Trade receivables - credit risk****Fair value of trade receivables**

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

**7 Convertible loan notes**

The proceeds received from the issue of the convertible loan notes have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity as follows:

	<b>2021</b>
	<b>£</b>
Proceeds of issue of convertible loan note	3,000,000
Liability component at date of issue	<u>3,000,000</u>

**BRAMBLE ENERGY LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****7 Convertible loan notes****(Continued)**

The liability component is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported in the statement of financial position represents the effective interest rate less interest paid to that date.

The effective rate of interest is 0%.

**Movements and balance at the period end****Liability  
£**

Issue of convertible loan notes	3,000,000
Liability component at 31 December 2021	3,000,000
Liability component due within 12 months	3,000,000

After the year end, the company successfully completed a fundraise and the loan note converted into equity.

**8 Trade and other payables**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade payables	67,859	19,532
Accruals	154,991	25,625
Social security and other taxation	94,401	32,888
	<u>317,251</u>	<u>78,045</u>

**9 Lease liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Maturity analysis</b>		
Within one year	197,788	-
In two to five years	78,068	-
Total undiscounted liabilities	<u>275,856</u>	<u>-</u>



**BRAMBLE ENERGY LTD****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****9 Lease liabilities****(Continued)**

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Current liabilities	197,788	-
Non-current liabilities	78,068	-
	<u>275,856</u>	<u>-</u>

It is the company's policy to lease certain assets. The average effective borrowing rate for the year was 10%. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The lease liability recognised on transition to IFRS, was £179,529, compared to an operating lease commitment at the same date of £202,180.

**10 Provisions for liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Provision for dilapidations on property leases	<u>25,000</u>	<u>-</u>

All provisions are expected to be settled after more than 12 months from the reporting date.

Movements on provisions:

	<b>Provision for dilapidations on property leases £</b>
Additional provisions in the year	<u>25,000</u>

The provision represents management's best estimate of the company's liability for dilapidations on cessation of its lease agreements.

# BRAMBLE ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 11 Share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary of 0.1p each	25,097	25,097	25	25
A Ordinary of 0.1p each	43,290	43,290	43	43
G Ordinary of 0.1p each	3,805	-	4	-
	<u>72,192</u>	<u>68,387</u>	<u>72</u>	<u>68</u>

#### 12 Share-based payments

	Number of share options		Average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 January 2021	2,376	2,376	132.73	132.73
Granted in the period	14,721	-	5.80	-
	<u>17,097</u>	<u>2,376</u>	<u>23.44</u>	<u>132.73</u>
Outstanding at 31 December 2021	17,097	2,376	23.44	132.73
Exercisable at 31 December 2021	-	-	-	-

#### Options granted during the year

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations. Non-vesting conditions and market conditions are taken into account when estimating the fair value of the option at grant date. Service conditions and non-market performance conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

	2021
Weighted average fair value	6.58
Inputs for model:	
- Weighted average share price	6.58
- Weighted average exercise price	5.80
- Expected volatility	0.1%
- Expected life	3
- Risk free rate	2.8%
- Expected dividends yields	0%

## BRAMBLE ENERGY LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12 Share-based payments

(Continued)

##### Options outstanding

At the year end, the company has in issue various share options which can be exercised at various points between 2023 and 2025. All shares have an exercise price of £5.80, except for a 3,805 G shares, which are exercisable of £0.025 per share.

##### Modification

During 2021, the company re-priced certain of its outstanding options. The strike price was reduced from £132.73 to the current market price of £6.58. The company used the inputs noted above to measure the fair value of the old and new options.

##### Expenses

Related to equity settled share based payments

6,927

55,269

#### 13 Share premium account

2021

2020

£

£

At the beginning of the year

6,258,626

1,082,051

Issue of new shares

91

5,176,575

At the end of the year

6,258,717

6,258,626

#### 14 Capital commitments

2021

2020

£

£

At 31 December 2021 the company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

1,752,634

-

#### 15 Capital risk management

The company is not subject to any externally imposed capital requirements.

#### 16 Events after the reporting date

On 14 February 2022, the company successfully completed an equity fundraise, raising £35 million for the issue of new shares. The £35m included the conversion of the £3m loan note, thus generating a cash inflow of £32m.

## BRAMBLE ENERGY LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 17 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2021 £	2020 £
Short-term employee benefits	140,183	84,352
Post-employment benefits	23,933	12,900
Share-based payments	4,205	36,103
	<u>168,321</u>	<u>133,355</u>

##### Other transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2021 £	2020 £	2021 £	2020 £
Entities with joint control or significant influence over the company	-	-	-	125,668
	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,668</u>

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
<b>Amounts due to related parties</b>		
Entities with joint control or significant influence over the company	3,000,000	-
	<u>3,000,000</u>	<u>-</u>

The £3m loan note was repaid upon conversion after the year end. Further details are included within note 16.

#### 18 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Spencer.

The auditor was MHA Moore and Smalley.

# BRAMBLE ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 19 Transition adjustments

#### Reconciliation of equity

Notes	At 1 January 2020			At 31 December 2020		
	Previously reported £	Effect of transition £	As restated £	Previously reported £	Effect of transition £	As restated £
<b>Non-current assets</b>						
Other intangibles	85,560	-	85,560	297,748	-	297,748
Property, plant and equipment	3,000	-	3,000	554,418	-	554,418
	<u>88,560</u>	<u>-</u>	<u>88,560</u>	<u>852,166</u>	<u>-</u>	<u>852,166</u>
<b>Current assets</b>						
Trade and other receivables	64,514	-	64,514	393,846	-	393,846
Bank and cash	38,858	-	38,858	3,689,915	-	3,689,915
	<u>103,372</u>	<u>-</u>	<u>103,372</u>	<u>4,083,761</u>	<u>-</u>	<u>4,083,761</u>
<b>Creditors due within one year</b>						
Other payables	(18,744)	-	(18,744)	(78,045)	-	(78,045)
	<u>84,628</u>	<u>-</u>	<u>84,628</u>	<u>4,005,716</u>	<u>-</u>	<u>4,005,716</u>
<b>Net current assets</b>						
	<u>173,188</u>	<u>-</u>	<u>173,188</u>	<u>4,857,882</u>	<u>-</u>	<u>4,857,882</u>
<b>Total assets less current liabilities</b>						
	<u>173,188</u>	<u>-</u>	<u>173,188</u>	<u>4,857,882</u>	<u>-</u>	<u>4,857,882</u>
<b>Net assets</b>						
	<u>173,188</u>	<u>-</u>	<u>173,188</u>	<u>4,857,882</u>	<u>-</u>	<u>4,857,882</u>
<b>Equity</b>						
Share capital	18	-	18	68	-	68
Share premium	1,082,051	-	1,082,051	6,258,626	-	6,258,626
Profit and loss	(908,881)	-	(908,881)	(1,400,812)	-	(1,400,812)
	<u>173,188</u>	<u>-</u>	<u>173,188</u>	<u>4,857,882</u>	<u>-</u>	<u>4,857,882</u>

#### Notes to reconciliations

The company has adopted International Financial Reporting Standards (IFRS) with effect from 1 January 2021. There were no changes to the previously reported financial position at either 31 December 2020 or 31 December 2019 as a result of the transition.

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.