

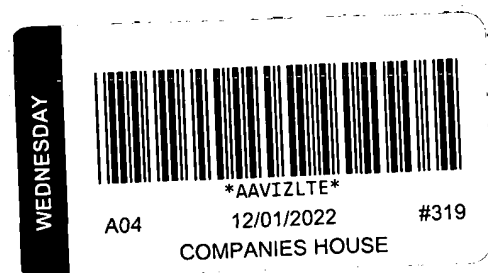
Run Energy Limited

Report and Unaudited Financial Statements

Year Ended

31 March 2021

Company Number 04559022



Run Energy Limited

Report and financial statements for the year ended 31 March 2021

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Directors

N M Johnson
D J T Wilson

Secretary and registered office

N M Johnson, 33 Chapel Lane, Stockton Heath, Warrington, Cheshire, England, WA4 6LL

Company number

04559022

Accountants

BDO LLP, 55 Baker Street, London, W1U 7EU

Run Energy Limited

Directors' report for the year ended 31 March 2021

The directors present their report and the unaudited financial statements for the year ended 31 March 2021.

Review of activities

The principal activities of the company are those related to the provision of consultancy and contract services to the energy and environmental industries.

The company has continued its focused strategy of providing specialist services to customers. It traded profitably during the year and the directors are confident that this trend will continue despite the effect of Covid-19. The company continues to rely on financial support from its parent company. It has also taken steps to reduce operating costs during the year to 31 March 2022 and the directors are confident that it will be able to meet its obligations as they fall due in the coming year.

Results and dividends

The profit for the financial year amounted to £27,068 (2020 - £34,991) and this amount has been deducted from accumulated losses. The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year are shown above.

Small company exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



N M Johnson
Director

5 January 2022

Run Energy Limited

Statement of directors' responsibilities for the year ended 31 March 2021

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Run Energy Limited

Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of Run Energy Limited for the year ended 31 March 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Run Energy Limited for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

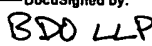
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Run Energy Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Run Energy Limited. You consider that Run Energy Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Run Energy Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Run Energy Limited, as a body, in accordance with the terms of our engagement letter dated 30 November 2021. Our work has been undertaken solely to prepare for your approval the accounts of Run Energy Limited and state those matters that we have agreed to state to the board of directors of Run Energy Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Run Energy Limited and its board of directors as a body for our work or for this report.

DocuSigned by:

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BDO LLP
Chartered Accountants
55 Baker Street
London
W1U 7EU

10 January 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Run Energy Limited

Statement of comprehensive income for the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	2	131,933	158,570
Cost of sales		<u>(75,489)</u>	<u>(89,665)</u>
Gross profit		56,444	68,905
Administrative expenses		<u>(29,376)</u>	<u>(33,914)</u>
Profit on ordinary activities before taxation	4	27,068	34,991
Taxation on ordinary activities	6	<u>-</u>	<u>-</u>
Profit for the financial year		<u>27,068</u>	<u>34,991</u>

There are no recognised gains or losses other than those included in the statement of comprehensive income.

The notes on pages 7 to 13 form part of these unaudited financial statements.

Run Energy Limited

Statement of financial position at 31 March 2021

Company number 04559022	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	7		-		85
Current assets					
Debtors	8	14,392		20,329	
Cash at bank and in hand		74,076		83,158	
		<u>88,468</u>		<u>103,485</u>	
Creditors: amounts falling due within one year	9	<u>(198,837)</u>		<u>(241,007)</u>	
Net current liabilities			(110,369)		(137,522)
Total assets less current assets			(110,369)		(137,437)
Capital and reserves					
Share capital	11		100		100
Profit and loss account			<u>(110,469)</u>		<u>(137,537)</u>
Shareholders' deficit			(110,369)		(137,437)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2021 and of its profit for the period then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the company.

The 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 the Financial Reporting Standard for 102 Section 1A.

The financial statements were approved by the Board of Directors and authorised for issue on
5 January 2022.


N M Johnson
Director

The notes on pages 7 to 13 form part of these unaudited financial statements.

Run Energy Limited

Statement of changes in equity for the year ended 31 March 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	100	(172,528)	(172,428)
Comprehensive income for the year	-	34,991	34,991
	<hr/>	<hr/>	<hr/>
At 31 March 2020	100	(137,537)	(137,437)
Comprehensive income for the year	-	27,068	27,068
	<hr/>	<hr/>	<hr/>
At 31 March 2021	100	(110,469)	(110,369)
	<hr/>	<hr/>	<hr/>

The notes on pages 7 to 13 form part of these unaudited financial statements.

Run Energy Limited

Notes forming part of the financial statements for the year ended 31 March 2021

1 General information

The company is a limited liability company incorporated in England and Wales. The address of the registered office is 33 Chapel Lane, Stockton Heath, Warrington, Cheshire, England, WA4 6LL.

The principal activity of the company is that of providing consultancy and contract services to the energy industry.

2 Accounting policies

Basis of preparation of financial statements

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

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Going concern

The balance sheet shows net liabilities of £110,369 as at 31 March 2021 (2020 - £137,437). The directors have also taken steps after the 31 March 2021 to reduce operating costs whilst continuing to trade. As set out in notes 9 and 13, the principal creditors are parties related to the ultimate controlling parties who have undertaken not to seek repayment of amounts due by the company until the company's circumstances permit. The directors consider that the company has adequate resources to remain in operation for the foreseeable future and therefore consider the going concern basis to be appropriate in preparing these financial statements. However, inherently there can be no certainty regarding this matter.

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.

Revenue represents the fair value of consultancy and contract services, recognised when the services are provided.

All turnover arose within the United Kingdom.

Run Energy Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

2 Accounting policies (*continued*)

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.

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 a straight line basis as follows:

Computer equipment	- 50% pa
Office furniture and fittings	- 50% pa
Office equipment	- 33% pa
Operational equipment and motor vehicles	- 25% pa

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 disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

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.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable 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.

Financial instruments

The Company only enters into basic financial instruments 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, and loans to related parties (if any).

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or cash consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Run Energy Limited

Notes forming part of the financial statements for the year ended 31 March 2021 *(continued)*

2 Accounting policies *(continued)*

Financial instruments (continued)

If applicable, Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

The financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforcement right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Pensions

Defined contribution pension plan

The company operates 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 the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Interest income

Interest income is recognised in the Income Statement using the effective interest method.

Run Energy Limited

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

2 Accounting policies (continued)

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, 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 corporation 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 income.

Deferred tax balances are recognised in respect of all timing differences that have been originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the difference between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

The directors consider that there are no key judgements that management have made in the process of applying the company's accounting policies and that may have had the most significant effect of the amounts recognised in the financial statements.

4 Profit on ordinary activities before taxation

	2021 £	2020 £
Profit on ordinary activities before taxation is stated after charging:		
Directors emoluments	-	-
Depreciation	85	119
Operating lease payments	15,065	24,517
Exchange loss	4,862	9,106

Run Energy Limited

Notes forming part of the financial statements
for the year ended 31 March 2021 (continued)

5 Directors and employees

	2021 £	2020 £
Wages and salaries	36,730	34,320
Social security costs	-	545
Pension contributions	2,260	2,266
	<u>38,990</u>	<u>37,131</u>

The average monthly number of persons employed during the year was one (2020 - one), who was employed in direct production.

Directors' emoluments for the year amounted to £Nil (2020 - £Nil). Pension contributions paid for the directors amounted to £Nil (2020 - £Nil).

6 Taxation on ordinary activities

	2021 £	2020 £
Corporation tax charge for the year	-	-

No provision for corporation tax is required for 2021 or 2020 due to the availability of tax losses from earlier years (Note 10).

7 Tangible fixed assets

	Operational Equipment and motor vehicles £	Computer equipment £	Office furniture and fittings £	Total £
<i>Cost</i>				
At 1 April 2020	29,736	6,114	2,452	38,302
Disposals	-	-	-	-
	<u>29,736</u>	<u>6,114</u>	<u>2,452</u>	<u>38,302</u>
At 31 March 2021	29,736	6,114	2,452	38,302
<i>Depreciation</i>				
At 1 April 2020	29,736	6,029	2,452	38,217
Disposals	-	-	-	-
Charge for the year	-	85	-	85
	<u>29,736</u>	<u>6,114</u>	<u>2,452</u>	<u>38,302</u>
At 31 March 2021	29,736	6,114	2,452	38,302
<i>Net book value</i>				
At 31 March 2021	-	-	-	-
At 31 March 2020	-	85	-	85

Run Energy Limited

Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

8 Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	11,132	16,366
Other debtors and prepayment	3,260	3,963
	<u>14,392</u>	<u>20,329</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	10,622
Amounts owed to related parties (Note 13)	190,723	219,954
Other taxes and social security	2,028	6,058
Accruals and deferred income	6,086	4,373
	<u>198,837</u>	<u>241,007</u>

The amount owed to related parties is interest free and repayable when the company's circumstances permit.

10 Deferred taxation

The unrecognised deferred tax asset is analysed as follows:

	2021 £	2020 £
At 31 March 2021	<u>10,411</u>	<u>15,324</u>

The deferred tax asset has not been recognised due to uncertainty regarding its utilisation.

11 Share capital

	2021 £	2020 £
<i>Allotted, called up and fully paid</i> 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

12 Obligations under operating leases

The company's obligations under operating leases relate solely to short term accommodation provided for visiting contractors, all of which are cancellable with one month's notice and short term hire of equipment.

Run Energy Limited

Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

13 Related party transactions

The company transacted with a number of entities under common control as follows:

(a) included under creditors:

Run Energy Pty Limited	£185,685
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(b) included under administrative expenses:

Run Energy Pty Limited	£5,989
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14 Ultimate controlling parties

The ultimate controlling parties of the company are Mr and Mrs W. Pahor. The immediate and ultimate parent company of Run Energy Limited is Oaktel Investments Pty Limited, a company incorporated in Australia.