Registered number: 06550141 (England and Wales)

CalEnergy Resources (Australia) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

CalEnergy Resources (Australia) Limited
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CalEnergy Resources (Australia) Limited
Company Information

Directors	T Enman T H France A P Jones
Company Secretary	J C Riley
Registered office	Lloyds Court 78 Grey Street Newcastle Upon Tyne, England NE1 6AF
Registered number	06550141 (England and Wales)
Auditor	Deloitte LLP Statutory Auditor Newcastle upon Tyne United Kingdom

The directors present their report and the audited financial statements of CalEnergy Resources (Australia) Limited (the "Company") for the year ended 31 December 2022.

As the Company operates in Australia, the accounts are presented in Australian Dollars ("A$"), which is the functional currency of the Company.

BUSINESS MODEL

The principal activities of the Company are the exploration for and production of hydrocarbons, principally natural gas and the generation of renewable energy. On 28 June 2022 the Company acquired two solar assets for A$253.8 million comprising Gunnedah Solar Farm and Suntop Solar Farm from Canadian Solar Energy Holding Singapore Pte Ltd.

In common with Northern Powergrid Holdings Company and its subsidiaries (the "Northern Powergrid Group"), the Company operates a business model and strategy based on core principles (the "Core Principles"). The Core Principles relevant to the Company comprise Financial Strength, Employee Commitment, Operational Excellence, Environmental Respect and Regulatory Integrity. Each Core Principle is defined by a strategic objective which is measured where relevant by financial and non-financial Key Performance Indicators ("KPI"). The Strategic Report focuses on each of the relevant Core Principles and the associated performance of each KPI throughout the year in order to provide a summary of the success in achieving each strategic objective.

FINANCIAL STRENGTH

Strategic objective: Strong finances that enable improvement and growth.

KPI	**2022**	**2021**
Operating loss	$(3.1) million	$(1.6) million
Cash used in operating activities	$(5.5) million	$(0.9) million
Cash used in investing activities	$(254.1) million	$(0.5) million

Strategic focus: Strong finances that enable improvement and growth.

Operating profit and position at the year-end: The Company's operating loss of A($3.1) million was A$1.5 million lower than the previous year, primarily due to an increase in a higher abandonment provision. The statement of financial position on page 16 shows that, as at 31 December 2022 the Company had total equity of A$165.8 million (2021: A$66.8 million).

Cash flow: The Company aims to collect from customers and pay suppliers within contracted terms. Any surplus cash held is remitted to Yorkshire Electricity Group plc ("YEG"), a company in the Northern Powergrid Group, and invested accordingly, generating a market rate of return for the Company. Movements in cash flows were as follows:

- Cash flow used in operating activities at A$5.5 million was A$4.6 million higher than the previous year due to higher income taxes.
- The net cash used in investing activities at A$254.1 million was A$253.6 million higher than the previous year, which was primarily due to the acquisition of solar farms in Australia.
- The net cash inflow from financing activities at A$259.6 million was A$258.2 million lower than the previous year mainly due to new shares issued in the year and an increase in intercompany borrowings.

Pensions: The Company also participates in the Northern Powergrid Pension Scheme, which is a defined contribution scheme. Further details are provided in Note 22 to the financial statements.

EMPLOYEE COMMITMENT

Strategic objective: High-performing people doing rewarding jobs in a safe and secure workplace.

Performance during the year: The Company recorded no safety incidents during the year. In common with the Berkshire Hathaway Energy Company ("Berkshire Hathaway Energy") group, the Northern Powergrid Group measures its safety performance in terms of the OSHA rate, which is a measure used in the United States to capture safety incidents. As a result of the continued focus on robust health and safety measures, the Company achieved its stretching OSHA target of reporting no recordable OSHA incidents.

In addition, the Company devised and implemented its own annual Environment, Health, Safety and Quality plan. The Company also reviews and oversees the implementation of all contractor-owned and implemented safety policies and standards, which call for adherence to all relevant state and federal health and safety legislation.

OPERATIONAL EXCELLENCE

Strategic objective: To grow the portfolio of low-cost renewable energy solutions.

Performance during the year: The Company acquired the Suntop and Gunnedah Solar Farms on 28 June 2022 from Canadian Solar Energy Holdings Pte Ltd. Both assets achieved substantial completion during the first half of 2022. Canadian Solar subsidiaries retained contracts for providing Asset Management and Operations and Maintenance for both solar farms.

For the period between 1 July 2022 and 31 Dec 2022, the two assets dispatched a combined 233.26 GWh of saleable energy into the Australian National Electricity Market. This was below the notional premise of 329.91 GWh, with the shortfall predominantly attributable to adverse weather conditions, along with higher-than-expected levels of network curtailment limiting generation, particularly at Gunnedah Solar Farm.

ENVIRONMENTAL RESPECT

Strategic objective: Leaders in environmental respect and low carbon technologies.

Performance during the year: The Northern Powergrid Group's approach to environmental compliance is governed by its policy of Environmental RESPECT (Responsibility, Efficiency, Stewardship, Performance, Evaluation, Communication and Training) implemented by Berkshire Hathaway Energy.

In addition to complying with the Group's environmental policy, both solar farms have undertaken comprehensive environmental impact assessments and adhere to a strict regulatory regimen overseen by the New South Wales Department of Environment and Planning. Compliance with all relevant environmental legislation and regulations is a contractual requirement of both the Asset Management services provider and the Operations and Maintenance Service Provider, which in turn is overseen by the Company via regularly scheduled meetings and site visits. Further information on environmental respect and our approach to climate change is discussed in the annual report and financial statements of Northern Powergrid Holdings Company.

REGULATORY INTEGRITY

Strategic objective: Trustworthy, fair and balanced.

Performance during the year: The Company and Canadian Solar in their capacity as Asset Manager, manage their business to the highest behavioural standards and adhere to a policy of strict compliance with all relevant standards and legislation. During the year, Canadian Solar routinely engaged with the Australian Energy Market Operator, the Australian Energy Regulator and the Australian Energy Market Commission.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the Company are integrated with the principal risks of the Northern Powergrid Group and are not managed separately. Accordingly, the principal risks and uncertainties, which include those of this Company, are discussed in the annual report and financial statements of Northern Powergrid Holdings Company. The principal risks and uncertainties specific to the Company are outlined as follows:

Resource availability
Loss of sub-contract resources, key management and personnel.

Mitigation
- Asset Management and Operations and Maintenance Agreements have termination notice periods that allow the Company to appoint and place on site alternate service providers.

Financial risks
Economic climate and the resulting effect on revenue and profitability

Mitigation
- Both solar farms have in place 10-year power purchase agreements (PPAs).

Contractual risk
Non-performance or inability to meet PPA availability guarantees.

Mitigation
- Appointment of competent personnel for oversight of daily operations to maximise system output.
- Liquidated damages owing to the PPA can be offset by: a) liquidated damages owed to the Company by the Operations and Maintenance contractor as part of the availability guarantee incorporated into the Operations and Maintenance Agreement; and b) liquidated damages owed to the Company by the solar farm EPC contractor for failure to meet performance standards.

SECTION 172(1) STATEMENT
The information pursuant to Section 414CZA of the Companies Act 2006 which describes how the directors have had regard to the matters set out in Section 172(1) (a) to (f) when performing their duty under Section 172 is set out below:
(a) The likely consequences of any decision in the long term. Decisions are made in accordance with the Company's financial business plan and with due regard to the principal activity of the Company and the wider impact upon the Company's stakeholders including the Northern Powergrid Group.
(b) The interests of the Company's employees. Detail is provided in 'Employee Commitment'.
(c) The need to foster the Company's business relationships with suppliers, customers and others. Detail is provided in 'Business Relationships' in the Directors' report.
(d) The impact of the Company's operations on the community and the environment. Detail is provided in 'Environmental Respect'.
(e) The desirability of the Company maintaining a reputation for high standards of business conduct. Detail is provided in 'Business Relationships' in the Directors' report.
(f) The need to act fairly as between members of the Company. The Company has one class of shares which are held by CalEnergy Resources Limited, a company owned by the Northern Powergrid Group.

Approved by the Board on 3 July 2023 and signed on its behalf by:

A P Jones
Director

CalEnergy Resources (Australia) Limited
Directors' Report for the Year Ended 31 December 2022

The directors present their report together with the auditor's report and the financial statements for the year ended 31 December 2022.

Dividends
During the year no interim dividend was paid (2021: A$nil). The directors recommend that no final dividend be paid in respect of the year (2021: A$nil).

Future developments and future outlook
The Company will continue to undertake the exploration for and production of renewables and hydrocarbons, principally natural gas. There are no plans to change the existing business model.

Research and development
The Company does not undertake research and development.

Post balance sheet events
For the year ended 31 December 2022 there has been no non-adjusting post balance sheet events.

Directors of the Company
The directors, who held office during the year and up to the date of signing, were as follows:

T Enman
T H France
A P Jones (appointed 15 June 2022)
S J Lockwood (appointed 17 February 2022 and resigned 14 April 2022)

During the year, none of the directors had an interest in any contract which was material to the business of the Company.

During the year and up to the date of approval of the Directors' Report, an indemnity contained in the Company's Articles of Association was in force for the benefit of the directors of the Company and as directors of associated companies, which was a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Financial instruments
Details of financial risks are included in Note 25 to the financial statements. As at 31 December 2022 and during the Year it was the Company's policy not to hold any derivative financial instruments.

Political donations
During the year, no contributions were made to political organisations (2021: A$nil).

Business relationships
The Company's policy in respect of engaging with stakeholders is governed by the Core Principles and the Berkshire Hathaway Energy code of business conduct ("Code of Conduct"). The Core Principle of 'Regulatory Integrity' defines the Northern Powergrid Group's commitment to comply with all laws wherever it does business and the expectation that all employees (including directors) manage their activities in a manner that is compliant with all standards, regulations and corporate policies. In addition, the Code of Conduct requires adherence to the highest level of ethical conduct and fair dealings with all customers, suppliers and competitors.

As outlined in the Strategic Report, during the year, the Company actively engaged with Canadian Solar as the Asset Management and Operations and Maintenance provider, who in turn, managed much of the interaction with regulatory bodies.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRS's) as issued by the IASB. 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, International Accounting Standard 1 requires the directors to:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

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.

Going Concern

A review of the Company's financial risk management objectives, details of its exposures to trading risk, credit risk and liquidity risk are set out in the appropriate Notes to the financial statements.

The Northern Powergrid Group is financed both in its operating companies and in other entities within the Northern Powergrid Group, and companies may lend within the Northern Powergrid Group. For that reason, financial health is considered with reference to the Northern Powergrid Group. Those entities with net current liabilities position have obtained a letter of support from Northern Powergrid Holdings Company.

When considering continuing to adopt the going concern basis in preparing the annual reports and financial statements, the directors have taken into account a number of factors, including the following:

- The Northern Powergrid Group's main subsidiaries, Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc, are stable electricity distribution businesses operating an essential public service and are regulated by the Gas and Electricity Markets Authority ("GEMA"). In carrying out its functions, GEMA has a statutory duty under the Electricity Act 1989 to have regard to the need to secure that licence holders are able to finance the activities, which are the subject of obligations under Part 1 of the Electricity Act 1989 (including the obligations imposed by the electricity distribution licence) or by the Utilities Act 2000;
- The Northern Powergrid Group is profitable with strong underlying cash flows. Northern Powergrid Holdings Company, a company in the Northern Powergrid Group, Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc hold investment grade credit ratings;
- The Northern Powergrid Group is financed by long-term borrowings with an average maturity of 18 years and has access to short-term committed borrowing facilities of £242 million provided by Barclays Bank plc, Lloyds Bank plc, HSBC UK Bank plc and Royal Bank of Canada;
- The Northern Powergrid Group benefits from strong investment-grade credit ratings which allow access to a range of financing options. A successful bond issue by the Northern Powergrid Group in April 2022, demonstrated that the Northern Powergrid Group's bonds remain attractive to investors and there is an active market with strong appetite to invest;
- The Northern Powergrid Group has prepared forecasts which taking into account reasonable possible changes in trading performance, show that the Northern Powergrid Group has sufficient resources to settle its liabilities as they fall due for at least the 12 months from the date of these accounts. The directors have had discussions with the bank who have indicated that they would continue to provide the short-term facilities to the Northern Powergrid Group for the foreseeable future on acceptable terms; and
- Consideration was also given to the obligations contained in the Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc licences to provide Ofgem with annual certificates, confirming that the directors have a reasonable expectation that the Northern Powergrid Group will have sufficient financial and operational resources available for the continuation of business for a period of at least 12 months. The board determined any material variations to the assumptions used when providing those certificates were unlikely within the eight-year period or beyond.

Consequently, after making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As the Company is in a net liability position, a letter of support was received from Northern Powergrid Holdings Company. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Statement as to disclosure of information to auditor

Each of the directors, who is a director of the Company as at the date of this report, confirms that:

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

Reappointment of auditor

Deloitte LLP will continue in office in accordance with the provisions in Section 487 of the Companies Act 2006 and has indicated its willingness to do so.

Approved by the Board on 3 July 2023 and signed on its behalf by:

A P Jones
Director

CalEnergy Resources (Australia) Limited
Independent Auditor's Report to the Members of CalEnergy Resources (Australia) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of CalEnergy Resources (Australia) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the Company which comprise:

- the statement of profit or loss;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 27.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:
• had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
• do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:
• reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
• performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
• enquiring of management, internal audit and in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
• reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Matthews

Anthony Matthews FCA (*Senior Statutory Auditor*)
For and on behalf of Deloitte LLP, Statutory Auditor
Newcastle upon Tyne
United Kingdom

3 July 2023

CalEnergy Resources (Australia) Limited
Statement of Profit or Loss for the Year Ended 31 December 2022

	Note	2022 $ 000	2021 $ 000
Revenue		-	-
Administrative expenses		(3,145)	(1,633)
Operating loss	3	(3,145)	(1,633)
Finance costs	5	(13)	(3,011)
Finance income	5	10,796	-
Profit/(loss) before tax		7,638	(4,644)
Income tax credit	8	29,321	1,050
Profit/(loss) for the year		36,959	(3,594)

CalEnergy Resources (Australia) Limited
Statement of Comprehensive Income for the Year Ended 31 December 2022

	2022 $ 000	2021 $ 000
Profit/(loss) for the year	36,959	(3,594)
Total comprehensive income/(expense) for the year	36,959	(3,594)

The notes on pages 19 to 46 form an integral part of these financial statements.

CalEnergy Resources (Australia) Limited
(Registration number: 06550141)
Statement of Financial Position as at 31 December 2022

	Note	31 December 2022 $ 000	31 December 2021 $ 000
Assets			
Non-current assets			
Property, plant and equipment	9	14	28
Right of use assets	10	168	269
Investments in subsidiaries, joint ventures and associates	12	253,758	-
Deferred tax assets	8	35,122	815
		289,062	1,112
Current assets			
Trade and other receivables	13	464	154
Income tax asset		10,639	491
Cash and cash equivalents	14	242	235
Restricted cash	15	84	84
		11,429	964
Total assets		300,491	2,076
Equity and liabilities			
Equity			
Share capital	16	(195,581)	-
Retained earnings		29,809	66,768
Total (equity)/deficit		(165,772)	66,768
Non-current liabilities			
Long-term lease liabilities	19	(75)	(174)
Provisions	20	(3,416)	(1,548)
Deferred tax liabilities	8	(11,470)	-
		(14,961)	(1,722)
Liabilities			
Current liabilities			
Current portion of long-term lease liabilities	19	(102)	(93)
Trade and other payables	21	(858)	(743)
Loans and borrowings	18	(118,694)	(65,344)
Provisions	20	(104)	(942)
		(119,758)	(67,122)
Total liabilities		(134,719)	(68,844)
Total equity and liabilities		(300,491)	(2,076)

Approved by the Board of Directors on 3 July 2023 and signed on its behalf by:

A P Jones
Director

CalEnergy Resources (Australia) Limited
Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital $ 000	Retained earnings $ 000	Total $ 000
At 1 January 2022	-	(66,768)	(66,768)
Profit for the year	-	36,959	36,959
Total comprehensive expense	-	36,959	36,959
New share capital issued	195,581	-	195,581
At 31 December 2022	195,581	(29,809)	165,772

	Share capital $ 000	Retained earnings $ 000	Total $ 000
At 1 January 2021	-	(63,174)	(63,174)
Loss for the year	-	(3,594)	(3,594)
Total comprehensive expense	-	(3,594)	(3,594)
At 31 December 2021	-	(66,768)	(66,768)

The notes on pages 19 to 46 form an integral part of these financial statements.

CalEnergy Resources (Australia) Limited
Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 $ 000	2021 $ 000
Cash flows from operating activities			
Profit/(loss) for the year		36,959	(3,594)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	3	346	544
Depreciation on right of use assets	10	101	101
Finance income	5	(10,796)	-
Finance costs	5	13	3,011
Income tax credit	8	(29,321)	(1,050)
		(2,698)	(988)
Increase in trade and other receivables	13	(310)	(8)
Increase in trade and other payables	21	115	17
Increase/(decrease) in provisions		1,030	(134)
Cash used in operations		(1,863)	(1,113)
Income taxes (paid)/received	8	(3,664)	174
Net cash flow used in operating activities		(5,527)	(939)
Cash flows used in investing activities			
Movement in related party debtor receivable	13	-	3
Acquisition of subsidiaries	12	(253,758)	-
Acquisitions of property plant and equipment	9	(3)	(7)
Acquisition of intangible assets		(329)	(526)
Interest received		2	-
Net cash flows used in investing activities		(254,088)	(530)
Cash flows from financing activities			
Movement in intercompany loans	23	64,144	1,514
Interest expense on leases		(11)	(15)
Interest paid		(2)	(3)
Proceeds from issue of ordinary shares, net of issue costs		195,581	-
Payments to finance lease creditors		(90)	(85)
Net cash flows from financing activities		259,622	1,411
Net movement in cash and cash equivalents		7	(58)
Cash and cash equivalents at 1 January		235	293
Cash and cash equivalents at 31 December		242	235

Yorkshire Electricity Group plc, a Northern Powergrid Group company, acting on behalf of other group companies was authorised to pay for the acquisition of assets, receive cash from the issuance of shares and settle various liabilities against the relevant intercompany accounts. The Company has disclosed the underlying cash flows as operating, investing or financing according to their nature on the basis that, as a principal, the entity has the right to the cash inflows and/or the obligation to settle the liability and ensure clarity of disclosure of the cash costs of the business.

1 General information

The Company is a private company limited by share capital, incorporated under the Companies Act 2006 and domiciled in England and Wales.

The address of its registered office is Lloyds Court, 78 Grey Street, Newcastle Upon Tyne, NE1 6AFUnited Kingdom.

As the Company operates in Australia, the accounts are presented in Australian Dollars ("$"), which is the functional currency of the Company.

The principal activity of the Company is renewables projects, and hydrocarbon exploration and development.

2 Accounting policies

Statement of compliance
The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and under historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

2 Accounting policies (continued)

Going Concern

A review of the Company's financial risk management objectives, details of its exposures to trading risk, credit risk and liquidity risk are set out in the appropriate Notes to the financial statements.

The Northern Powergrid Group is financed both in its operating companies and in other entities within the Northern Powergrid Group, and companies may lend within the Northern Powergrid Group. For that reason, financial health is considered with reference to the Northern Powergrid Group. Those entities with net current liabilities position have obtained a letter of support from Northern Powergrid Holdings Company.

When considering continuing to adopt the going concern basis in preparing the annual reports and financial statements, the directors have taken into account a number of factors, including the following:

- The Northern Powergrid Group's main subsidiaries, Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc, are stable electricity distribution businesses operating an essential public service and are regulated by the Gas and Electricity Markets Authority ("GEMA"). In carrying out its functions, GEMA has a statutory duty under the Electricity Act 1989 to have regard to the need to secure that licence holders are able to finance the activities, which are the subject of obligations under Part 1 of the Electricity Act 1989 (including the obligations imposed by the electricity distribution licence) or by the Utilities Act 2000;
- The Northern Powergrid Group is profitable with strong underlying cash flows. Northern Powergrid Holdings Company, a company in the Northern Powergrid Group, Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc hold investment grade credit ratings;
- The Northern Powergrid Group is financed by long-term borrowings with an average maturity of 18 years and has access to short-term committed borrowing facilities of £242 million provided by Barclays Bank plc, Lloyds Bank plc, HSBC UK Bank plc and Royal Bank of Canada;
- The Northern Powergrid Group benefits from strong investment-grade credit ratings which allow access to a range of financing options. A successful bond issue by the Northern Powergrid Group in April 2022, demonstrated that the Northern Powergrid Group's bonds remain attractive to investors and there is an active market with strong appetite to invest;
- The Northern Powergrid Group has prepared forecasts which taking into account reasonable possible changes in trading performance, show that the Northern Powergrid Group has sufficient resources to settle its liabilities as they fall due for at least the 12 months from the date of these accounts. The directors have had discussions with the bank who have indicated that they would continue to provide the short-term facilities to the Northern Powergrid Group for the foreseeable future on acceptable terms; and
- Consideration was also given to the obligations contained in the Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) plc licences to provide Ofgem with annual certificates, confirming that the directors have a reasonable expectation that the Northern Powergrid Group will have sufficient financial and operational resources available for the continuation of business for a period of at least 12 months. The board determined any material variations to the assumptions used when providing those certificates were unlikely within the eight-year period or beyond.

Consequently, after making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As the Company is in a net liability position, a letter of support was received from Northern Powergrid Holdings Company. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

2 Accounting policies (continued)

Critical judgements in applying accounting policies
In the preparation of financial statements in conformity with IFRS the directors did not identify any critical accounting judgements or key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of estimation uncertainty
In the preparation of financial statements in conformity with IFRS the Directors have not identified any key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Provisions for the abandonment of assets: the policy on providing for abandonment is disclosed within the provisions accounting policy section, with further detail provided within the provisions Note 20.
- Recognition of deferred tax asset in relation to the tax attributes of the oil, gas and renewables business - determining on whether the tax attributes of the oil, gas and renewables business (as disclosed in Note 8) are recognised as a deferred tax asset under IAS 12 which requires the business to demonstrate that it is probable that future taxable profits should be available in order to offset these losses.

Accounting estimates and assumptions
The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of certain financial assets, liabilities, income and expenses.

The use of estimates and assumptions is principally limited to the determination of provisions for impairment, the valuation of financial instruments as explained in more detail below:

Provisions for impairment
In determining impairment of financial assets, judgement is required in the estimation of the amount and timing of future cash flows as well as an assessment of whether the credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

Fair value of financial assets and liabilities
Where the fair value of financial assets and liabilities cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is derived from observable markets where available, but where this is not feasible, a degree of judgement is required in determining assumptions used in the models. Changes in assumptions used in the models could affect the reported fair value of financial assets and liabilities.

Changes in accounting policy
New standards, interpretations and amendments effective

Effective for periods beginning on or after 1 January 2022
• Amendments to IFRS 3: Reference to the Conceptual Framework
• Amendments to IAS 16: Property, Plant & Equipment - Proceeds before Intended Use
• Amendments to IAS 37: Onerous Contracts - Cost of Fulfilling a Contract
• Annual Improvments to IFRS Standards 2018-2020

These amendments did not have a material impact on the financial statements.

The directors have considered new accounting standards issued that are not yet applicable and have noted no material changes are likely to arise.

Finance income and costs policy
All borrowing costs are recognised in profit or loss in the period which they are incurred.

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are recognised at the rate of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at that date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax is recognised on temporary 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Property, plant and equipment

Furniture, fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the purchase price of the asset and any costs, including internal employee and other costs, 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.

Office equipment is depreciated on a straight line basis over 3-5 years.

Intangible assets

Exploration and appraisal costs are accounted for on the successful efforts basis. All costs relating to licence and data acquisition, geological and geophysical activity and exploration and appraisal drilling are initially capitalised as intangible oil and gas assets pending determination of the commercial potential of the relevant oil and gas properties. Exploration costs, which are not incurred under a specific licence, are written off in the year incurred. If prospects are subsequently deemed to be unsuccessful on completion of evaluation, the associated costs are charged to the statement of profit or loss in the year in which that determination is made. If the prospects are deemed to be commercially viable, such costs are transferred to tangible oil and gas assets under property, plant and equipment.

Depreciation, depletion and amortisation for oil and gas properties is calculated on a unit-of-production basis, using the ratio of oil and gas production in the period to the estimated quantities of proven and probable reserves at the end of the period plus production in the period, on a field-by-field basis. Proven and probable reserve estimates are based on a number of underlying assumptions including oil and gas prices, future costs, oil and gas in place and reservoir performance, which are inherently uncertain. Management uses established industry techniques to generate its estimates and regularly references its estimates against those of joint venture partners or external consultants. However, the amount of reserves that will ultimately be recovered from any field cannot be known with certainty until the end of the field's life.

2 Accounting policies (continued)

Where there has been a change in economic or commercial conditions that indicates a possible impairment in a field, the recoverability of the net book value relating to that field, less any provisions for decommissioning costs, is assessed by comparison with the estimated discounted future net cash flows based on management's expectations of future gas and oil prices and future costs. Any impairment identified is charged to the statement of profit or loss as additional depreciation. Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the statement of profit or loss.

Leases

The Company applies IFRS 16 to all leases (except as noted below) which currently consists of property only. The right-of-use assets are initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Subsequently, the assets are measured under the fair value method. The corresponding lease liability is initially measured at present value of all lease payments over the lease term and can be restated if the terms or other criteria of the contract change. These values can be found in the Statement of Financial Position.

The Company has taken practical expedients as per below:
- For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Company has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within 'administrative expenses' in the Income Statement.
- Applies a single discount rate to a portfolio of leases;
- Uses hindsight to determine the lease term when contract contains options to extend or terminate the lease; and
- Adjusts right of use asset by provision for onerous leases as an alternative to performing an impairment review.

The weighted average lessee's incremental borrowing rate applied to determine the present value of the lease liabilities during the current period was 4.89%.

The Company recognises deprecation of right-of-use assets (within administration expenses) and interest on lease liabilities (within finance costs) in the Income Statement. Within the Statement of Cash Flow, the Company separates the total amount of cash paid between the principal portion and the interest, both of which are presented within financing activities.

Right-of-use assets are depreciated over the shorter of the useful life of the asset or the lease term. For information regarding the depreciation charge per class of asset and carrying value, please refer to Note 10 Right of use assets.

Investments in subsidiaries

Investments in subsidiaries are account for at cost less impairment.

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 changes in value.

Revenue recognition

Revenue is only recognised when the risks and rewards of ownership have been transferred to a third party. No revenue is recognised where there are significant uncertainties regarding the consideration to be received or the costs associated with the transaction.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

2 Accounting policies (continued)

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings
All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the 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 end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When 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 the effect of the time value of money is material).

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.

Provisions for decommissioning costs are recorded at the present value of the expenditures expected to be required to settle the Company's future obligations, to the extent of any damage, which has been caused to date and taking risks and uncertainties into account in reaching the best estimate of the provision. These provisions have been created based on the Company's internal estimates and, where available, operators' estimates. Assumptions, based on the current economic environment, have been made, which management believe are a reasonable basis upon which to estimate the future liability.

A decommissioning asset is also established, since the future cost of decommissioning is regarded as part of the total investment made in order to generate future economic benefits. The decommissioning asset is then depleted in line with production volumes on a site-by-site basis.

Provisions are reviewed at the end of each reporting period to reflect the current best estimate of the cost at present value. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works reflecting market conditions at that time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This in turn will depend upon future oil and gas prices, which are inherently uncertain.

2 Accounting policies (continued)

Impairment of non-financial assets

At the balance sheet date, the Company reviews the carrying amounts of its tangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the recoverable amount 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 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.

Defined contribution pension obligation

The Company participates in a defined contribution scheme. Contributions payable to the defined contribution scheme are charged to the statement of profit or loss in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

Financial instruments

Initial recognition

Financial assets and financial liabilities comprise all assets and liabilities reflected in the statement of financial position, although excluding property, plant and equipment, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The Company recognises financial assets and financial liabilities in the statement of financial position when, and only when, the Company becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the Company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

2 Accounting policies (continued)

Classification and measurement
Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:

Financial assets are classified into one of the following three categories:
· financial assets at amortised cost;
· financial assets at fair value through other comprehensive income (FVTOCI); or
· financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:
· financial liabilities at amortised cost; or
· financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:

Financial assets at amortised cost
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
· the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
· the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If either of the above two criteria is not met, the financial assets are classified and measured at fair value through the profit or loss (FVTPL).

If a financial asset meets the amortised cost criteria, the Company may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

Financial assets at fair value through other comprehensive income (FVTOCI)
A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:
· the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
· the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investments that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

If an equity investment is designated as FVTOCI, all gains and losses, except for dividend income, are recognised in other comprehensive income and are not subsequently included in the statement of income.

Financial assets at fair value through the profit or loss (FVTPL)
Financial assets not otherwise classified above are classified and measured as FVTPL.

Financial liabilities at amortised cost
All financial liabilities, other than those classified as financial liabilities at FVTPL, are measured at amortised cost using the effective interest rate method.

Financial liabilities at fair value through the profit or loss
Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification includes derivative liabilities.

2 Accounting policies (continued)

Derecognition

Financial assets
The Company derecognises a financial asset when;
- the contractual rights to the cash flows from the financial asset expire;
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

The Company enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised.

When the Company derecognises transferred financial assets in their entirety, but has continuing involvement in them then the entity should disclose for each type of continuing involvement at the reporting date:

(a) The carrying amount of the assets and liabilities that are recognised in the entity's statement of financial position and represent the entity's continuing involvement in the derecognised financial assets, and the line items in which those assets and liabilities are recognised;

(b) The fair value of the assets and liabilities that represent the entity's continuing involvement in the derecognised financial assets;

(c) The amount that best represents the entity's maximum exposure to loss from its continuing involvement in the derecognised financial assets, and how the maximum exposure to loss is determined;

(d) The undiscounted cash outflows that would or may be required to repurchase the derecognised financial assets or other amounts payable to the transferee for the transferred assets.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Modification of financial assets and financial liabilities

Financial assets
If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to the cash flows from the original financial asset are deemed to expire. In this case the original financial asset is derecognised and a new financial asset is recognised at either amortised cost or fair value.

If the cash flows are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of income.

2 Accounting policies (continued)

Financial liabilities
If the terms of a financial liabilities are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual obligations from the cash flows from the original financial liabilities are deemed to expire. In this case the original financial liabilities are derecognised and new financial liabilities are recognised at either amortised cost or fair value.

If the cash flows are not substantially different, then the modification does not result in derecognition of the financial liabilities. In this case, the Company recalculates the gross carrying amount of the financial liabilities and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of income.

Impairment of financial assets

Measurement of Expected Credit Losses
The Company recognises loss allowances for expected credit losses (ECL) on financial instruments that are not measured at FVTPL, namely:

- Financial assets that are debt instruments;
- Accounts and other receivables;
- Financial guarantee contracts issued; and
- Loan commitments issued.

The Company classifies its financial instruments into stage 1, stage 2 and stage 3, based on the applied impairment methodology, as described below:

Stage 1: for financial instruments where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the Company recognises an allowance based on the 12-month ECL.

Stage 2: for financial instruments where there has been a significant increase in credit risk since initial recognition but they are not credit-impaired, the Company recognises an allowance for the lifetime ECL.

Stage 3: for credit-impaired financial instruments, the Company recognises the lifetime ECL.

The Company measures loss allowances at an amount equal to the lifetime ECL, except for the following, for which they are measured as a 12-month ECL:

- debt securities that are determined to have a low credit risk (equivalent to investment grade rating) at the reporting date; and
- other financial instruments on which the credit risk has not increased significantly since their initial recognition.

The Company considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

A 12-month ECL is the portion of the ECL that results from default events on a financial instrument that are probable within 12 months from the reporting date.

Provisions for credit-impairment are recognised in the statement of income and are reflected in accumulated provision balances against each relevant financial instruments balance.

Evidence that the financial asset is credit-impaired include the following;

- Significant financial difficulties of the borrower or issuer;
- A breach of contract such as default or past due event;
- The restructuring of the loan or advance by the Company on terms that the company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the security because of financial difficulties; or
- There is other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the Company, or economic conditions that correlate with defaults in the Company.

2 Accounting policies (continued)

For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 Operating loss

Arrived at after charging

	2022 $ 000	2021 $ 000
Depreciation expense on property, plant and equipment	17	18
Depreciation on right-of-use assets	101	101
Amortisation expense	329	526

Depreciation and amortisation are included in administrative expenses in the Statement of Profit or Loss.

4 Directors' remuneration

In respect of the highest paid director:

	2022 $ 000	2021 $ 000
Short-term employee benefits	559	548
Post-employment benefits	27	26
Other long-term benefits	234	249
	820	823

Total director remuneration:

	2022 $ 000	2021 $ 000
Short-term employee benefits	559	548
Post-employment benefits	27	26
Other long-term benefits	234	249
	820	823

At 31 December 2022, no directors were a member of a defined benefit scheme (2021: none) and one director was paid by the Company (2021: 1). The Company made no contributions to the defined benefit pension scheme for any director in 2022 or 2021. Two of the three directors are remunerated through other entities within the Northern Powergrid Group.

5 Finance income and costs

	2022 $ 000	2021 $ 000
Finance income		
Other finance income measured at amortised cost	2	-
Finance costs measured at amortised cost		
Other interest costs	(2)	(3)
Interest expense on leases	(11)	(15)
	(13)	(18)
Finance costs measured at fair value		
Foreign exchange gains/(losses)	10,794	(2,993)
Net finance income/(costs)	10,783	(3,011)

6 Staff costs

	2022 $ 000	2021 $ 000
Salaries	1,765	1,714
Pension costs	115	97
	1,880	1,811
Allocated to intangible assets and other Northern Powergrid Group companies	(1,472)	(1,606)
	408	205

The monthly average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2022 No.	2021 No.
Administration and support	5	4
Management	1	1
	6	5

7 Auditor's remuneration

	2022 $ 000	2021 $ 000
Audit of the financial statements	38	35

No non-audit services were utilised during the current year or prior year.

8 Income tax

Tax charged/(credited) in the income statement

	2022 $ 000	2021 $ 000
Current taxation		
UK corporation tax	(6,484)	(935)
UK corporation tax adjustment to prior periods	-	9
	(6,484)	(926)
Deferred taxation		
Arising from origination and reversal of temporary differences	(22,837)	13
Deferred tax adjustment to prior periods	-	(9)
Effect of changes in legislation	-	(128)
Total deferred taxation	(22,837)	(124)
Tax receipt in the income statement	(29,321)	(1,050)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 $ 000	2021 $ 000
Profit/(loss) before tax	7,638	(4,644)
Corporation tax at standard rate	1,451	(882)
Impact of foreign exchange differences	11	(40)
Increase in current tax from adjustments for prior periods	-	9
Decrease from changes in tax provisions due to legislation	(139)	(128)
Decrease in deferred tax from adjustment for prior periods	-	(9)
Deferred tax on Australian tax losses not previously recognised	(22,496)	-
Tax impact of assets held in trust	(8,148)	-
Total tax credit	(29,321)	(1,050)

The Autumn Budget 2022 confirmed that the corporation tax rate will increase to 25% from 1 April 2023 as previously enacted. Deferred tax balances are therefore measured at 25% at 31 December 2022 (25% at 31 December 2021) after taking into account the estimated effect of timing differences which will reverse at the 19% rate prior to 1 April 2023.

There is no uncertainty over the acceptable income tax treatment.
Should any uncertainties arise the Company will apply adopted amendments to IFRIC 23.

8 Income tax (continued)

Deferred tax

Deferred tax movement during the year:

	At 1 January 2022 $ 000	Recognised in income $ 000	At 31 December 2022 $ 000
Accelerated tax depreciation	(126)	24	(102)
Other items	(689)	11,187	10,498
Tax losses	-	(34,048)	(34,048)
Deferred tax asset	(815)	(22,837)	(23,652)

Deferred tax movement during the prior year:

	At 1 January 2021 $ 000	Recognised in income $ 000	31 December 2021 $ 000
Accelerated tax depreciation	(119)	(7)	(126)
Other items	(573)	(116)	(689)
Tax losses	-	-	-
Deferred tax asset	(692)	(123)	(815)

The Company has recognised a total deferred tax asset of A$23.7m in relation to its tax attributes at 31 December 2022 on the basis the company will have sufficient future taxable profits to utilise the deferred tax asset in full. This amount includes a deferred tax asset of A$34.0m in relation to Australian tax losses which have been carried forward at 31 December 2022. The deferred tax asset in relation to the Australian tax losses was previously unrecognised as at 31 December 2021.

The other net deferred tax liability of A$10.5m relates to the impact of the loss transitional rules and also includes a deferred tax asset of A$0.9m (2021: A$0.6m) in relation to a site restoration provision and A$0.2m (2021: A$0.2m) which relates to employee remuneration which is deductible for tax on a paid basis.

9 Property, plant and equipment

	Furniture, fittings and equipment $ 000
Cost or valuation	
At 1 January 2021	1,583
Additions	7
Disposals	(364)
At 31 December 2021	1,226
At 1 January 2022	1,226
Additions	3
At 31 December 2022	1,229
Depreciation	
At 1 January 2021	1,544
Charge for year	18
Eliminated on disposal	(364)
At 31 December 2021	1,198
At 1 January 2022	1,198
Charge for the year	17
At 31 December 2022	1,215
Carrying amount	
At 31 December 2021	28
At 31 December 2022	14

10 Right of use assets

	Property $ 000	Total $ 000
Cost or valuation		
At 1 January 2021	404	404
At 31 December 2021	404	404
At 1 January 2022	404	404
At 31 December 2022	404	404
Depreciation		
At 1 January 2021	34	34
Charge for year	101	101
At 31 December 2021	135	135
At 1 January 2022	135	135
Charge for the year	101	101
At 31 December 2022	236	236
Carrying amount		
At 31 December 2022	168	168
At 31 December 2021	269	269

11 Intangible assets

	Intangible assets $ 000
Cost or valuation	
At 1 January 2021	33,243
Additions	526
At 31 December 2021	33,769
At 1 January 2022	33,769
Additions	329
At 31 December 2022	34,098
Amortisation	
At 1 January 2021	33,243
Amortisation charge	526
At 31 December 2021	33,769
At 1 January 2022	33,769
Amortisation charge	329
At 31 December 2022	34,098
Carrying amount	
At 1 January 2021	-
At 31 December 2021	-
At 31 December 2022	-

The intangible assets relate to expenditure on oil and gas exploration activities.

At the balance sheet date the Company had no contractual commitments (2021: A$nil).

12 Investments

Investments in Group undertakings	$ 000
Cost or valuation	
At 31 December 2021	-
Additions	253,758
At 31 December 2022	253,758
Carrying amount	
At 31 December 2022	253,758
At 31 December 2021	-

An impairment assessment was carried out in respect of the investments balance above for 31 December 2022, no impairment was indicated.

12 Investments (continued)

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Registered office	Ownership interest and voting rights held 2022	2021
Canadian Solar Investment Trust	Holdings company	Australia	100%	0%
Suntop Holding Trust	Holdings company	Australia	100%	0%
Gunnedah Holding Trust	Holdings company	Australia	100%	0%
Suntop Asset Trust	Asset trust	Australia	100%	0%
Gunnedah Asset Trust	Asset trust	Australia	100%	0%
Canadian Solar Investment Management Pty Ltd	Investment management	Australia	100%	0%
Suntop Holdco Pty Ltd	Trustee	Australia	100%	0%
Suntop SF Pty Ltd	Trustee	Australia	100%	0%
Suntop Finco Pty Ltd	Finance company	Australia	100%	0%
Canadian Solar Investments Holdco Pty	Holdings company	Australia	100%	0%
Canadian Solar Investments Finco Pty Ltd	Finance company	Australia	100%	0%
Gunnedah Holdco Pty Ltd	Trustee	Australia	100%	0%
Gunnedah SF Pty Ltd	Trustee	Australia	100%	0%
Gunnedah Finco Pty Ltd	Finance company	Australia	100%	0%

The Company's financial statements are separate financial statements in that it has elected not to prepare consolidated financial statements, as entitled under IAS 27 and Section 400 of the Companies Act 2006 as it is included in the consolidated accounts for a larger group with accounts drawn up to the same date. Northern Powergrid Holdings Company, a company incorporated in England and Wales and whose address is Lloyds Court, 78 Grey Street, Newcastle upon Tyne, NE1 6AF, is the entity where the consolidated accounts including those of the Company are available for public view.

The Company's investments listed above are accounted for at cost less provision for any impairment in value.

Investments are directly held in the form of ordinary shares.

13 Trade and other receivables

Current trade receivables	31 December 2022 $ 000	31 December 2021 $ 000
Goods and services tax	-	9
Amounts due from related parties	242	17
Prepayments and accrued income	222	128
	464	154

The directors consider that the carrying amount of trade and other receivables approximates their fair value calculated by discounting the future cash flows at the market rate at the end of the reporting period. The maximum exposure to risk to the Company is the book value of these receivables less any provisions for impairment. The amounts from related parties relate to services provided by the Company to NewGen Drilling Limited and no interest is applied to these balances. There is no security and balances are settled within 30 days of being invoiced. Amounts owed from related party undertakings carry no credit risk as all the group companies are actively supported and funded by the rest of the Northern Powergrid Group which maintains an investment grade credit rating.

14 Cash and cash equivalents

	31 December 2022 $ 000	31 December 2021 $ 000
Cash and short-term deposits	242	235

Cash and cash equivalents have a maturity of less than three months, are readily convertible to cash and are subject to an insignificant risk of changes in value. The carrying amount of these assets approximates their fair value.

15 Restricted cash

	31 December 2022 $ 000	31 December 2021 $ 000
Restricted cash	84	84

Restricted cash is held for use under the terms of contractual agreements.

16 Share capital

Authorised, allotted, called up and fully paid shares

	31 December 2022		31 December 2021	
	No.	$	No.	$
Ordinary Share Capital of $1.70 (2021 - $2.13) each	115,000,001	195,580,502	1	2.13

17 Reserves

	Retained earnings $ 000
At 1 January 2022	(66,768)
Profit for the year	36,959
Total comprehensive income	36,959
At 31 December 2022	(29,809)

	Retained earnings $ 000
At 1 January 2021	(63,174)
Loss for the year	(3,594)
Total comprehensive expense	(3,594)
At 31 December 2021	(66,768)

18 Loans and borrowings

	Book value		Fair value	
	31 December 2022 $ 000	31 December 2021 $ 000	31 December 2022 $ 000	31 December 2021 $ 000
Amounts owed to Group undertakings	118,694	65,344	118,694	65,344
	118,694	65,344	118,694	65,344

The directors consider that the carrying amount of borrowings approximates their fair value calculated by discounting the future cash flows at the market rate at the reporting date. Borrowings expired on the 9 June 2023 but an extended agreement is expected to be approved in July 2023, all borrowings are non-interest bearing.

The loans are non-secured. The Company has no undrawn borrowing facilities. Amounts owed to Group undertakings carry no credit risk as all the group companies are actively supported and funded by the rest of the Northern Powergrid Group which maintains an investment grade credit rating. The liquidity risk is minimal due to support provided by the Northern Powergrid Group. Some market risk exists due to the variable interest rate, however this is offset by the support of the Northern Powergrid Group.

19 Obligations under leases and hire purchase contracts

Lease liability
Lease commitments relate to an office lease with a term of 4 years.

The total future values of minimum lease payments is as follows:

2022	**31 December 2022 $ 000**
Within one year	108
In two to five years	73
Total lease payment	181
Unearned interest	(4)
Total lease liability	177

2021	**31 December 2021 $ 000**
Within one year	93
In two to five years	189
Total lease payment	282
Unearned interest	(15)
Total lease liability	267

20 Provisions

	Site rehabilitation provision $ 000
At 1 January 2022	2,490
Additional provisions	1,057
Provisions used	(27)
At 31 December 2022	3,520
Non-current liabilities	3,416
Current liabilities	104

The provision relates to site rehabilitation costs in relation to the Company's exploration and evaluation assets. The settlement dates of these costs are largely anticipated to be 95% complete by 2025; however, this is ultimately dependent upon the quantity of land that requires decontamination. The largest uncertainty to cost of the provision is in relation to the volume of potentially contaminated limestone that will need to be removed and replaced; a survey will take place during 2023 to establish a reliable estimate. There is no expectation for any amount of reimbursement of cost at this stage.

21 Trade and other payables

	31 December 2022 $ 000	31 December 2021 $ 000
Accruals and other payables	709	586
Amounts due to related parties	149	157
	858	743

The Company's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in the Financial Risk Review Note. For more information on amounts due to related-party please see Note 26.

22 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to $0.1m (2021 - $0.1m).

23 Net debt reconciliation

	At 1 January 2022 $ 000	Cash flows $ 000	Foreign exchange movements $ 000	At 31 December 2022 $ 000
Borrowings	(65,344)	(64,144)	10,794	(118,694)
Cash and cash equivalents	235	7	-	242
Lease liabilities	(267)	90	-	(177)
Restricted cash	84	-	-	84
	(65,292)	(64,047)	10,794	(118,545)

	At 1 January 2021 $ 000	Cash flows $ 000	Foreign exchange movements $ 000	At 31 December 2021 $ 000
Borrowings	(60,837)	(1,514)	(2,993)	(65,344)
Cash and cash equivalents	293	(58)	-	235
Lease liabilities	(352)	85	-	(267)
Restricted cash	84	-	-	84
	(60,812)	(1,487)	(2,993)	(65,292)

24 Classification of financial and non-financial assets and financial and non-financial liabilities

The classification of financial assets and liabilities by accounting categorisation as at 31 December 2022 was as follows:

	Financial assets at amortised cost $ 000	Financial liabilities at amortised cost $ 000	Non-financial assets & liabilities $ 000
Assets			
Non-current assets			
Property, plant and equipment	-	-	14
Right of use assets	-	-	168
Investments in subsidiaries, joint ventures and associates	253,758	-	-
Deferred tax assets	-	-	35,122
	253,758	-	35,304
Current assets			
Trade and other receivables	464	-	-
Income tax asset	-	-	10,639
Cash and cash equivalents	242	-	-
Restricted cash	84	-	-
	790	-	10,639
Total assets	254,548	-	45,943
Liabilities			
Non-current liabilities			
Long term lease liabilities	-	(75)	-
Provisions	-	-	(3,416)
Deferred tax liabilities	-	-	(11,470)
	-	(75)	(14,886)
Current liabilities			
Current portion of long term lease liabilities	-	(102)	-
Trade and other payables	-	(858)	-
Loans and borrowings	-	(118,694)	-
Provisions	-	-	(104)
	-	(119,654)	(104)
Total liabilities	-	(119,729)	(14,990)

24 Classification of financial and non-financial assets and financial and non-financial liabilities (continued)

The classification of financial assets and liabilities by accounting categorisation as at 31 December 2021 was as follows:

	Financial assets at amortised cost $ 000	Financial liabilities at amortised cost $ 000	Non-financial assets & liabilities $ 000
Assets			
Non-current assets			
Property, plant and equipment	-	-	28
Right of use assets	-	-	269
Investments in subsidiaries, joint ventures and associates	-	-	-
Deferred tax assets	-	-	815
	-	-	1,112
Current assets			
Trade and other receivables	154	-	-
Income tax asset	-	-	491
Cash and cash equivalents	235	-	-
	389	-	491
Total assets	389	-	1,603
Liabilities			
Non-current liabilities			
Long term lease liabilities	-	(174)	-
Provisions	-	-	(1,548)
	-	(174)	(1,548)
Current liabilities			
Current portion of long term lease liabilities	-	(93)	-
Trade and other payables	-	(743)	-
Loans and borrowings	-	(65,344)	-
Provisions	-	-	(942)
	-	(66,180)	(942)
Total liabilities	-	(66,354)	(2,490)

Fair values are derived from level 1 inputs.

25 Financial risk review

This Note presents information about the Company's exposure to financial risks and the Company's management of capital.

Capital management

The Group manages its capital centrally to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2021.

The capital structure of the Company consists of net debt (borrowings as detailed in Note 18 offset by equity of the Company (comprising issued capital, reserves and retained earnings as detailed in Notes 16 and 17). The Company has no externally imposed capital requirements.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

There is no expected credit loss as the receivables are with a related party that is supported by the Northern Powergrid Group.

Liquidity risk

Ultimate responsibility of liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity analysis for financial liabilities

The following tables set out the remaining contractual maturities of the Company's financial assets and financial liabilities by type.

2022	Total outflow	1-3 months
Non-derivative liabilities	**$ 000**	**$ 000**
Non-interest bearing liabilities	119,552	119,552

2021	Total outflow	1-3 months
Non-derivative liabilities	**$ 000**	**$ 000**
Variable interest rate liabilities	65,344	65,344
Non-interest bearing liabilities	743	743

Market risk

The Company is exposed to market risk as it maintains a loan with CalEnergy Resources Limited that is denominated in pound sterling. Loans to and from related parties are all at floating rates so any movements in interest rate would be largely offset between the two.

The following table details the Company's sensitivity to a 1% strengthening and weakening of pound sterling in relation to the Australian dollar. 1% is the sensitivity rate used when reporting foreign currency risk to key management personnel.

25 Financial risk review (continued)

2022	Pound weakened by 1% $ 000	December closing $ 000	Pound strengthened by 1% $ 000
Value of liability	117,507	118,694	119,880
Impact on profit or (loss)	1,187	-	(1,186)

2021	Pound weakened by 1% $ 000	December closing $ 000	Pound strengthened by 1% $ 000
Value of liability	64,691	65,344	65,997
Impact on profit or (loss)	653	-	(653)

The sensivity analysis table above is created using actual exchange rates in the current period and prior period against the book value of the loan in the corresponding period, therefore the methods and assumptions are a reasonable approximation of possible changes.

26 Related party transactions

	Transfers from related parties $ 000	Transfers to related parties $ 000	Amounts due from/(to) related parties $ 000	Interest paid to related parties $ 000	Interest received from related parties $ 000
2022					
CalEnergy Resources Limited	(1,948)	2,770	(118,469)	-	-
YEG	-	192	-	-	-
Newgen Drilling Pty Ltd	-	-	17	-	-
Northern Powergrid Holding Company	-	-	(149)	-	-
	(1,948)	2,962	(118,601)	-	-
2021					
CalEnergy Resources Limited	(1,464)	3,256	(65,344)	-	-
YEG	-	200	-	-	-
Newgen Drilling Pty Ltd	-	-	17	-	-
Northern Powergrid Holding Company	-	-	(157)	-	-
	(1,464)	3,456	(65,484)	-	-

CalEnergy Resources Limited is the parent undertaking of the Company and recharges overhead costs to the Company. The Company invoices CalEnergy Resources Limited for third party charges and for other overhead costs that are then recharged on to the rest of the Group. Amounts due to CalEnergy Resources Limited are loans provided to finance operations within the Company.

NewGen Drilling Pty Ltd is a subsidiary of CalEnergy Resources Limited. Transfers to NewGen Drilling Pty Ltd are for management services and amounts owed are the balance remaining at the balance sheet date for these services.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of amounts owed to related parties.

27 Parent and ultimate parent undertaking

The Company's immediate parent is CalEnergy Resources Limited.

The ultimate parent and controlling party is Berkshire Hathaway, Inc. These financial statements are available upon request from 3555 Farnam Street, Omaha, Nebraska 68131.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Berkshire Hathaway, Inc, incorporated in United States.

The registered address of Berkshire Hathaway, Inc is: 3555 Farnam Street, Omaha, Nebraska 68131.

The parent of the smallest group in which these financial statements are consolidated is Northern Powergrid Holdings Company, incorporated in United Kingdom.

The registered address of Northern Powergrid Holdings Company and location where the Group financial statements can be obtained is: Lloyds Court, 78 Grey Street, Newcastle upon Tyne, NE1 6AF.