

# **Bowmore Energy Limited**

Unaudited Financial Statements

Year Ended

31 December 2022

Company Number 07633841



# Bowmore Energy Limited

Registered number: 07633841

## Statement of Financial Position as at 31 December 2022

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	97,291	58,875
Bank and cash balances		794,943	2,288,925
		<u>892,234</u>	<u>2,347,800</u>
Creditors: amounts falling due within one year	6	(1,113,729)	(960,130)
<b>Net current (liabilities)/assets</b>		<u>(221,495)</u>	<u>1,387,670</u>
<b>Net (liabilities)/assets</b>		<u>(221,495)</u>	<u>1,387,670</u>
<b>Capital and reserves</b>			
Share capital	7	176,957	176,957
Preference shares	7	4,869,533	6,804,043
Profit and loss account		(5,267,985)	(5,593,330)
		<u>(221,495)</u>	<u>1,387,670</u>

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

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

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

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

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

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



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**Alan Baker**

Director

Date: 14th September 2023

The notes on pages 3 to 6 form part of these financial statements.

## Bowmore Energy Limited

### Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £	Preference shares £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	176,957	6,963,997	(5,499,183)	1,641,771
<b>Comprehensive loss for the year</b>				
Loss for the year	-	-	(254,101)	(254,101)
Correction of preference shares (note 8)	-	(159,954)	159,954	-
<b>At 1 January 2022</b>	<u>176,957</u>	<u>6,804,043</u>	<u>(5,593,330)</u>	<u>1,387,670</u>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	327,375	327,375
Dividends on preference shares	-	-	(2,030)	(2,030)
Redemption of preference shares (note 8)	-	(1,934,510)	-	(1,934,510)
<b>At 31 December 2022</b>	<u><u>176,957</u></u>	<u><u>4,869,533</u></u>	<u><u>(5,267,985)</u></u>	<u><u>(221,495)</u></u>

# **Bowmore Energy Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2022**

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### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

The Company financial statements are prepared for Bowmore Energy Limited for the year ended 31 December 2022. The financial statements are presented in Pound Sterling, the presentation and functional currency of the Company with figures rounded to the nearest pound. The Company is limited by shares and is incorporated in the United Kingdom.

The accounts have been prepared in accordance with FRS 102 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. There are no material departures from these standards.

#### **1.2 Going concern**

The financial statements have been prepared using the going concern basis of accounting. The directors have reviewed the company's going concern position taking into account its current business activities, budgeted performance and factors likely to affect its future performance. Based on the information contained within the accounts, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The company will continue to be supported by its parent company to meet its liabilities as they fall due for at least 12 months from the signing of the financial statements.

The directors have, at the time of approving the financial statements, a reasonable expectation that the business has adequate cash resources available to continue for the foreseeable future and thus continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

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

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

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

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

# Bowmore Energy Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 1. Accounting policies (continued)

#### 1.4 Lease payments

Rentals payable under operating leases are charged to the the Statement of Comprehensive Income account on a straight-line basis over the lease term. Lease incentives are recognised over the lease term.

#### 1.5 Loans

Loans with other group entities are considered "basic" financial instruments as defined under FRS 102 par 11.5 and 11.8 and are recognised at amortised cost.

#### 1.6 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 1.7 Taxation

Tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is accounted for in respect of all timing differences that have originated but not reversed by balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Current and deferred tax balances are not discounted.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the difference between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

#### 1.8 Debtors

Amounts owed by group undertakings are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

# Bowmore Energy Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 1. Accounting policies (continued)

#### 1.9 Cash and cash equivalents

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

#### 1.10 Creditors

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

#### 1.11 Dividends

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

#### 1.12 Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the contractual arrangements entered into, rather than the arrangements legal form. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

#### 1.13 Preference shares

Preference shares issued by the Company are recorded at historical cost, being the amount of proceeds received net of direct issue costs.

### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

#### Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Going concern - refer to note 1.2.

### 3. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 -2).

### 4. Exceptional items

Deferred consideration relates to amounts received from subsidiaries disposed of in prior year. The project in subsidiary hit a certain milestone so the company received a reimbursement for amounts spent on the project whilst they were the owner.

# Bowmore Energy Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 5. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	<u>97,291</u>	<u>58,875</u>

Amounts owed by group undertakings of £97,291 (2021 - £58,875) relates to 9% (2021 - 9%) interest bearing loans which are unsecured and repayable on demand.

### 6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,032	2,928
Accruals and deferred income	1,106,697	957,202
	<u>1,113,729</u>	<u>960,130</u>

### 7. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
17,695,700 Share Capital shares of \$0.01 each	<u>176,957</u>	<u>176,957</u>

### 8. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £Nil (2021 - £8,500). No amounts were outstanding as at the year end (2021 - £Nil).

### 9. Related party transactions

The Company has taken exemption under FRS 102 section 33.1A from disclosing transactions with group companies, on the grounds that each company party to the transactions is wholly owned within the group.

### 10. Controlling party

The Company's ultimate parent undertaking and controlling party at the year end date was Bowmore Holdings Limited.