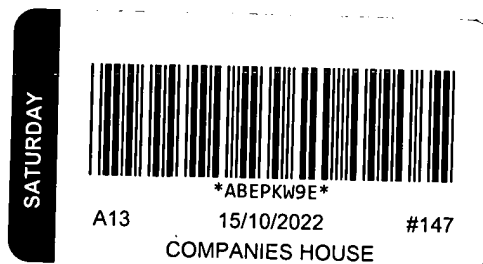


REGISTERED NUMBER: 11246297 (England and Wales)

SGN Belvedere Limited

Directors' Report and

Audited Financial Statements for the Year Ended 31 March 2022



SGN Belvedere Limited (Registered number: 11246297)

Contents of the Financial Statements
for the Year Ended 31 March 2022

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SGN Belvedere Limited

Company Information
for the Year Ended 31 March 2022

DIRECTORS:

Michael Carmedy
Simon David Reilly
Neil O'Cuinneagain

SECRETARY:

Paul Lomas

REGISTERED OFFICE:

St Lawrence House
Station Approach
Horley
Surrey
RH6 9HJ

REGISTERED NUMBER:

11246297 (England and Wales)

AUDITOR:

Ernst & Young LLP
1 More London Place
London
SE1 2AF

SGN Belvedere Limited (Registered number: 11246297)

Directors' Report
for the Year Ended 31 March 2022

The Directors present their report and the audited financial statements for SGN Belvedere Limited (the "**Company**") in respect of the year ended 31 March 2022. The Company is a wholly owned subsidiary of SGN Place Limited. The ultimate parent undertaking is Scotia Gas Networks Limited ("**SGN**"), which together with its subsidiary undertakings (including the Company) is hereinafter referred to as the "**Group**".

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

Michael Carmedy
Simon David Reilly
Neil O'Cuinneagain

Other changes in directors holding office are as follows:

Derrick Davidson Allan – resigned 13 May 2022

GOING CONCERN

The Company accounts have been prepared on a going concern basis.

As part of the directors' assessment of the Company's ability to continue as a going concern, a support letter has been received from Scotia Gas Networks Limited confirming that Scotia Gas Networks Limited can and will support the Company in meeting its liabilities for a period of twelve months (to 30 September 2023) from the signing of the Company's financial statements.

The directors have therefore considered the going concern assessment undertaken at the Scotia Gas Networks Limited group level, the conclusion of which is that even under severe but plausible downside scenarios there is headroom in relation to both liquidity and covenants. Further detail on the Group's assessment of going concern can be found in the Directors' Report in the annual report for Scotia Gas Networks Limited for the year ended 31 March 2022. The directors have reviewed the period since the date of signing the consolidated financial statements of Scotia Gas Networks Limited and confirmed that there were no significant changes to the Group's going concern assessment to note.

After making reasonable enquiries and having considered the matters described above, the directors believe that the Company will be able to meet its liabilities as they fall due and will have adequate resources to continue in operational existence for twelve months (to 30 September 2023) from the date of approval of this report. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' INTERESTS

None of the Directors who held office at the end of the year had an interest in the shares or loan stock of the Company or any other member of the Group at the end of the financial year, or at any time during the financial year subsequent to their appointment as a Director of the Company.

SGN Belvedere Limited (Registered number: 11246297)

Directors' Report
for the Year Ended 31 March 2022

DIRECTORS' INSURANCE AND INDEMNITIES

The Directors of the Company have the benefit of the indemnity provisions in the Company's Articles of Association. The Directors have been granted a qualifying third-party indemnity provision which was in force throughout the year. In addition, SGN has purchased and maintained throughout the year Directors' and officers' liability insurance in respect of itself, the Group, the Directors and other senior executives of the Group.

AUDITOR

Each of the Directors at the date of this report confirms that:

- 1) So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- 2) The Director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

The auditor, Ernst & Young LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD:

DocuSigned by:

.....
FCB437782CDA440.....
Simon David Reilly - Director

Date: 15-09-22 | 2:07 PM BST
.....

SGN Belvedere Limited (Registered number: 11246297)

Directors' Responsibilities Statement
for the Year Ended 31 March 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Independent Auditor to the Members of
SGN Belvedere Limited

Opinion

We have audited the financial statements of SGN Belvedere Limited (the 'company') for the year ended 31 March 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 12 months (to 30 September 2023) 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 this report, we do not express any form of assurance conclusion thereon.

Report of the Independent Auditor to the Members of SGN Belvedere Limited

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.

**Report of the Independent Auditor to the Members of
SGN Belvedere Limited**

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the local tax legislation.
- We understood how the Company is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance procedures and the Company secretary. We corroborated our enquiries through our review of Board minutes, papers provided to the Audit Committee and noted that there was no contradictory evidence.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management from various parts of the business to understand where it considered there was susceptibility to fraud. We considered the programmes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included using data analysis for testing journal entries that met our defined risk criteria based on our understanding of the business and challenging the assumptions and judgements made by management in areas where judgement is required.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved understanding management's internal controls over compliance with laws and regulations; enquiry of legal counsel, management and internal audit; and reviewing internal audit reports and whistleblowing logs.

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

**Report of the Independent Auditor to the Members of
SGN Belvedere Limited**

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.

DocuSigned by:

Ernst & Young LLP

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Steven Dobson (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 15-09-22 | 6:10 PM BST

SGN Belvedere Limited (Registered number: 11246297)Profit and Loss Account
for the Year Ended 31 March 2022

	Notes	2022 £'000	2021 £'000
TURNOVER		-	-
Administrative expenses		<u>(26)</u>	<u>(133)</u>
OPERATING LOSS		(26)	(133)
Interest payable and similar expenses	4	<u>(76)</u>	<u>(166)</u>
LOSS BEFORE TAXATION	5	(102)	(299)
Tax on loss	6	<u>24</u>	<u>37</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(78)</u></u>	<u><u>(262)</u></u>

The above results relate to continuing operations in both the current year and previous year.

SGN Belvedere Limited (Registered number: 11246297)Statement of Comprehensive Income
for the Year Ended 31 March 2022

	Notes	2022 £'000	2021 £'000
LOSS FOR THE YEAR		(78)	(262)
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(78)</u>	<u>(262)</u>

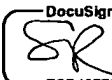
The notes on pages 13 to 19 form part of these financial statements

SGN Belvedere Limited (Registered number: 11246297)Balance Sheet31 March 2022

	Notes	2022 £'000	2021 £'000
CURRENT ASSETS			
Stocks	8	5,894	6,058
Debtors	9	<u>22</u>	<u>14</u>
		5,916	6,072
CREDITORS			
Amounts falling due within one year	10	<u>(5,562)</u>	<u>(5,424)</u>
NET CURRENT ASSETS		<u>354</u>	<u>648</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		354	648
PROVISIONS FOR LIABILITIES	11	<u>(745)</u>	<u>(961)</u>
NET LIABILITIES		<u>(391)</u>	<u>(313)</u>
CAPITAL AND RESERVES			
Called up share capital	12	-	-
Retained earnings		<u>(391)</u>	<u>(313)</u>
SHAREHOLDERS' FUNDS		<u>(391)</u>	<u>(313)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 15-09-22 at 2:07 PM BST and were signed on its behalf by:

DocuSigned by:

 FCB437782CDA44C...
 Simon David Reilly - Director

The notes on pages 13 to 19 form part of these financial statements

SGN Belvedere Limited (Registered number: 11246297)Statement of Changes in Equity
for the Year Ended 31 March 2022

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2020	-	(51)	(51)
Loss for the year	-	(262)	(262)
Total comprehensive loss	-	(262)	(262)
Balance at 31 March 2021	-	(313)	(313)
Loss for the year	-	(78)	(78)
Total comprehensive loss	-	(78)	(78)
Balance at 31 March 2022	-	(391)	(391)

Called up Share Capital is £1 as at 31 March 2022 (2021: £1).

SGN Belvedere Limited (Registered number: 11246297)

Notes to the Financial Statements
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES

General information and basis of preparation

SGN Belvedere Limited is a private company limited by shares and is incorporated in England and Wales under the Companies Act 2006. The address of the registered office is St. Lawrence House, Station Approach, Horley, Surrey, RH6 9HJ, United Kingdom. The Company's principal activity is property development and sales.

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) issued by the Financial Reporting Council. There were no material departures from that standard.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The functional currency of SGN Belvedere Limited is considered to be pound sterling because that is the currency of the primary economic environment in which the Company operates. Amounts are expressed in thousands of pounds, except where noted otherwise.

The following principal accounting policies have been applied:

Going concern

The Company accounts have been prepared on a going concern basis.

As part of the directors' assessment of the Company's ability to continue as a going concern, a support letter has been received from Scotia Gas Networks Limited confirming that Scotia Gas Networks Limited can and will support the Company in meeting its liabilities for a period of twelve months (to 30 September 2023) from the signing of the Company's financial statements.

The directors have therefore considered the going concern assessment undertaken at the Scotia Gas Networks Limited group level, the conclusion of which is that even under severe but plausible downside scenarios there is headroom in relation to both liquidity and covenants. Further detail on the Group's assessment of going concern can be found in the Directors' Report in the annual report for Scotia Gas Networks Limited for the year ended 31 March 2022. The directors have reviewed the period since the date of signing the consolidated financial statements of Scotia Gas Networks Limited and confirmed that there were no significant changes to the Group's going concern assessment to note.

After making reasonable enquiries and having considered the matters described above, the directors believe that the Company will be able to meet its liabilities as they fall due and will have adequate resources to continue in operational existence for twelve months (to 30 September 2023) from the date of approval of this report. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

SGN Belvedere Limited (Registered number: 11246297)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover includes income from the sale of land, which is recognised at the point of completion and is stated net of value added tax.

Stocks

Stocks consist of land in the course of remediation, sale, or development and are measured at the lower of cost or net realisable value. The carrying value of stocks is increased by the amount of the associated provision for the expected future cost to demolish any gas holders and remediate land to a statutory level.

Land is held for remediation and development prior to sale in the ordinary course of business and in accordance with the Company's principal activity, and as such is recognised as trading stock.

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method.

If a transaction constitutes a financing transaction it is measured at the present value of the future payments discounted at a market rate of interest.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial information that arises from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial information.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

SGN Belvedere Limited (Registered number: 11246297)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Taxation (continued)

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted where the impact of discounting the expected future cash flows is material.

Interest payable

Interest payable and similar expenses includes interest payable on loans from group undertakings and unwinding of the discount on provisions. Interest payable is recognised in profit or loss as it accrues, using the effective interest method.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The directors do not consider there to be any critical accounting judgements.

Key source of estimation uncertainty

Work in progress - in assessing the valuation of the land held within work in progress an element of estimation is required when considering the net realisable value of the stock due to fluctuations in property market valuation. This is relevant when comparing the net realisable value of the stock to the accounting cost disclosed on the balance sheet at the year end.

Demolition provision - in assessing the cost of holder demolition an element of estimation is required due to fluctuations in future costs and scrap value. The discount rate is also a source of estimation.

SGN Belvedere Limited (Registered number: 11246297)**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2022**3. EMPLOYEES AND DIRECTORS**

The Company had no full-time equivalent employees as of 31 March 2022 (2021: nil). The average monthly number of full-time equivalent employees during the year was nil (2021: nil).

The Directors are remunerated by other Group undertakings and did not receive any remuneration for their qualifying services to the Company during the year (2021: £nil). No retirement benefits are accruing to any Directors under money purchase or defined benefit schemes, in respect of their services to the Company.

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £'000	2021 £'000
Interest on loans from group undertakings	62	155
Unwind of discount on provisions	<u>14</u>	<u>11</u>
	<u>76</u>	<u>166</u>

5. LOSS BEFORE TAXATION

The loss is stated after charging:

	2022 £'000	2021 £'000
Auditor's remuneration for the audit of these financial statements	<u>6</u>	<u>5</u>

6. TAXATION**Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2022 £'000	2021 £'000
Current tax:		
UK corporation tax	(16)	(35)
Deferred tax	<u>(8)</u>	<u>(2)</u>
Tax on loss	<u>(24)</u>	<u>(37)</u>

UK corporation tax has been charged at 19% (2021 - 19%).

SGN Belvedere Limited (Registered number: 11246297)Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**6. TAXATION (continued)****Reconciliation of total tax credit included in profit and loss**

The tax credit assessed for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £'000	2021 £'000
Loss before tax	<u>(102)</u>	<u>(299)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(19)	(57)
Effects of:		
Expenses not deductible for tax purposes	-	20
Effect of change in tax rate	<u>(5)</u>	<u>-</u>
Total tax credit	<u>(24)</u>	<u>(37)</u>

The deferred tax position is due to temporary differences arising from the unwinding of the discounting of the environmental and demolition provisions.

The standard rate of tax applied to reported profit on ordinary activities is 19% (2021: 19%). Finance Bill 2021 increased the main rate of corporation tax from 19% to 25% from 1 April 2023. As these changes have been substantively enacted at the balance sheet date, deferred tax has been calculated accordingly and this has had the effect of increasing the company's deferred tax asset at 31 March 2022 by £5k (2021: nil). The deferred tax asset is not expected to reverse until the sale of the land.

SGN Belvedere Limited (Registered number: 11246297)Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**7. DIVIDENDS**

No final dividends have been paid or proposed in respect of the year ended 31 March 2022 and 31 March 2021.

8. STOCKS

	2022	2021
	£'000	£'000
Work-in-progress	<u>5,894</u>	<u>6,058</u>

The value of work in progress and provisions is based upon the company's best estimate of the timing of works and site sale as of the year end. This estimate may change due to external factors such as property market conditions.

The movement in the carrying value of stocks is attributable to additional plant rationalisation costs incurred of around £44k (2021: £370k) offset by movements on the associated provision for the expected future cost to demolish any gas holders.

9. DEBTORS

	2022	2021
	£'000	£'000
Deferred tax asset	<u>22</u>	<u>14</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade creditors	7	9
Amounts owed to group undertakings	5,522	5,356
Accruals	<u>33</u>	<u>59</u>
	<u>5,562</u>	<u>5,424</u>

Amounts owed to group undertakings includes:

An intercompany loan due to SGN Place Limited of £5,526k (2021: £5,281k). The loan is repayable on demand, and it bears interest at the Bank of England Base Rate plus 1% per annum.

Partially offset by amounts due from group undertakings:

An intercompany trade balance due from the SGN Group of £4k (2021: due to the SGN Group of £75k).

SGN Belvedere Limited (Registered number: 11246297)**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2022**11. PROVISIONS FOR LIABILITIES**

	2022 £'000	2021 £'000
Other provisions		
Demolition provision	745	961
	<u>745</u>	<u>961</u>

	Demolition £'000
Balance at 1 April 2021	961
Unwinding of discounted amount	14
Utilised during the year	(22)
Reassessment during the year	<u>(208)</u>
	<u>745</u>

The demolition provision relates to the demolition of gasholders held in stock. The provision has been discounted and is stated at the present value of the expenditure expected to be required to settle the obligations. The provision is expected to be utilised over the next two years.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of the dividends and the repayment of capital.

13. RELATED PARTY DISCLOSURES

In accordance with FRS 102 Section 1A paragraph 1AC.35, the Company is exempt from disclosing transactions with other wholly owned group companies.

The smallest group in which the results of the Company are consolidated is that headed by Scotia Gas Networks Limited, the ultimate parent undertaking of the Company. The address of Scotia Gas Networks Limited's registered office is St Lawrence House, Station Approach, Horley, Surrey, RH6 9HJ, United Kingdom.

14. SUBSEQUENT EVENTS

There are no subsequent events to report.