

FLOGAS NATURAL GAS LTD

**Company Registration Number:
NI622648 (Northern Ireland)**

Unaudited statutory accounts for the year ended 31 March 2022

Period of accounts

Start date: 1 April 2021

End date: 31 March 2022

FLOGAS NATURAL GAS LTD

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Directors' report period ended 31 March 2022

The directors present their report with the financial statements of the company for the period ended 31 March 2022

Principal activities of the company

The principal activity of the Company is the shipment and supply of natural gas to industrial and commercial customers. The regulated nature of the market means that financial performance can vary significantly from one year to the next.

Political and charitable donations

The Company made no political contributions or incurred any political expenditure during the financial year.

Additional information

Covid-19 Situation Successful implementation of our business continuity plans means we have been able to meet customer needs during the Covid-19 pandemic while also protecting our employees' health and safety. Our business implemented remote and hybrid working arrangements, made changes to workplace layouts and facilities, and modified shift patterns and changeover processes. While the company was impacted by staff absences, this was largely attributable to community rather than workplace transmission. We successfully switched governance processes such as site inspections and HSE audits to a virtual format, combining offline document reviews with videoconference interviews and remote site inspections. As providers of key products and services, we worked hard to manage our operations so that the impact of the pandemic was minimised both for our employees and customers. The Director's recognise that Covid-19 continues to have an impact on our business. Changing markets and supply chains The recent Russian invasion of Ukraine has increased pressure on global supply chains and added to wider inflationary pressures which had been caused in part by the disruption created by the pandemic. Heightened political and economic risks are likely to remain a feature of the business environment in the next financial year. The resilience created by core elements of the Group's strategy and business model – including our diversity, our focus on essential products and services and robust financial position – is additionally valuable in this environment.

Directors

The directors shown below have held office during the whole of the period from
1 April 2021 to 31 March 2022

J Rooney
H Cubbon
P Kenny
S Johnston

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on
25 October 2022

And signed on behalf of the board by:

Name: S Johnston
Status: Director

FLOGAS NATURAL GAS LTD

Profit And Loss Account for the Period Ended 31 March 2022

	2022	2021
	£	£
Turnover:	11,470,000	7,470,000
Cost of sales:	(9,309,000)	(6,310,000)
Gross profit(or loss):	2,161,000	1,160,000
Distribution costs:	(68,000)	(67,000)
Administrative expenses:	(658,000)	(584,000)
Operating profit(or loss):	1,435,000	509,000
Profit(or loss) before tax:	1,435,000	509,000
Tax:	(272,000)	(97,000)
Profit(or loss) for the financial year:	1,163,000	412,000

FLOGAS NATURAL GAS LTD

Balance sheet

As at 31 March 2022

	<i>Notes</i>	<i>2022</i>	<i>2021</i>
		£	£
Fixed assets			
Tangible assets:	3	11,000	17,000
Total fixed assets:		<u>11,000</u>	<u>17,000</u>
Current assets			
Debtors:	4	8,964,002	2,385,002
Cash at bank and in hand:		2,742,000	5,058,000
Total current assets:		<u>11,706,002</u>	<u>7,443,002</u>
Creditors: amounts falling due within one year:	5	(5,881,000)	(5,838,000)
Net current assets (liabilities):		<u>5,825,002</u>	<u>1,605,002</u>
Total assets less current liabilities:		<u>5,836,002</u>	<u>1,622,002</u>
Total net assets (liabilities):		<u>5,836,002</u>	<u>1,622,002</u>
Capital and reserves			
Called up share capital:		2	2
Other reserves:		3,389,000	338,000
Profit and loss account:		2,447,000	1,284,000
Total Shareholders' funds:		<u>5,836,002</u>	<u>1,622,002</u>

The notes form part of these financial statements

FLOGAS NATURAL GAS LTD

Balance sheet statements

For the year ending 31 March 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 25 October 2022
and signed on behalf of the board by:**

Name: S Johnston
Status: Director

The notes form part of these financial statements

FLOGAS NATURAL GAS LTD

Notes to the Financial Statements

for the Period Ended 31 March 2022

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 101

Turnover policy

Revenue comprises the fair value of the sale of goods and services to external customers net of applicable sales taxes, volume and promotional rebates, allowances and discounts. Revenue is generally recognised on a duty inclusive basis where applicable. The Company is deemed to be a principal in an arrangement when it controls a promised good or service before transferring them to a customer, and accordingly recognises revenue on a gross basis. Where the company is determined to be an agent in a transaction, based on the principle of control, the net amount retained after the deduction of any costs to the principal is recognised as revenue. Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met for each for the Company's activities as detailed below. Revenue from the sale of Natural Gas is recognised when we receive a meter read and bill the customer based on their actual usage for the period. Flogas Natural Gas, the Company derives the majority of its revenue from the sale of Natural Gas. Revenue is recognised when the customer is billed for the gas. Natural Gas can be sold at a discount off the regulated tariffs or at pre-agreed fixed rates.

Tangible fixed assets depreciation policy

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows: Computer equipment - 5 years

Other accounting policies

Going concern The financial statements have been prepared on a going concern basis. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Intra-group financial instruments Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Foreign currency Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account except for differences arising on the retranslation of qualifying cash flow hedges and items which are fair valued with changes taken to other comprehensive income, which are recognised in other comprehensive income.

Impairment excluding Stocks At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is reversed if and only if the reasons for the impairment have ceased to apply. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Defined contribution plans A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Short-term benefits Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is

provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of a past service provided by the employee and the obligation can be estimated reliably. Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value. 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, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability. Taxation Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Derivative financial instruments and hedging Derivative financial instruments Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below). Cash flow hedges Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the profit and loss account. When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss is removed from the hedging reserve and is included in the initial carrying amount of the non-financial asset or liability. For cash flow hedges, other than those covered by the above, the associated cumulative gain or loss is removed from equity and recognised in the profit and loss account in the same period or periods during which the hedged forecast transaction affects profit or loss. When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship, but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the profit and loss account immediately. Non-derivative financial instruments At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A Financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Trade and other debtors Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses. Trade and other creditors Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Cash and cash equivalents Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

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

2. Employees

	<i>2022</i>	<i>2021</i>
Average number of employees during the period	6	6

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Notes to the Financial Statements

for the Period Ended 31 March 2022

3. Tangible assets

	Land & buildings	Plant & machinery	Fixtures & fittings	Office equipment	Motor vehicles	Total
Cost	£	£	£	£	£	£
At 1 April 2021				45,000		45,000
Additions						
Disposals						
Revaluations						
Transfers						
At 31 March 2022				45,000		45,000
Depreciation						
At 1 April 2021				28,000		28,000
Charge for year				6,000		6,000
On disposals						
Other adjustments						
At 31 March 2022				34,000		34,000
Net book value						
At 31 March 2022				11,000		11,000
At 31 March 2021				17,000		17,000

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

4. Debtors

	<i>2022</i>	<i>2021</i>
	£	£
Trade debtors	1,181,000	744,000
Prepayments and accrued income	1,169,000	929,000
Other debtors	6,614,002	712,002
Total	<u>8,964,002</u>	<u>2,385,002</u>

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Notes to the Financial Statements

for the Period Ended 31 March 2022

5. Creditors: amounts falling due within one year note

	<i>2022</i>	<i>2021</i>
	£	£
Trade creditors	39,000	21,000
Taxation and social security	747,000	262,000
Accruals and deferred income	2,205,000	1,621,000
Other creditors	2,890,000	3,934,000
Total	<u>5,881,000</u>	<u>5,838,000</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.