

**THIRD ENERGY UK GAS LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

THIRD ENERGY UK GAS LIMITED
UNAUDITED ACCOUNTS
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THIRD ENERGY UK GAS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Directors	Mr Russell Hoare Mr Karl Farrow Mr Glynn Gary Williams
Company Number	01421481 (England and Wales)
Registered Office	Keyword House Viking Road Great Yarmouth NR31 0NU England
Accountants	Azoth Solutions Ltd Jonathan Scott Hall Thorpe Road Norwich Norfolk NR1 1UH

THIRD ENERGY UK GAS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	<u>4</u>	1,708,247	1,708,247
Tangible assets	<u>5</u>	3,008,065	1,521,462
		<u>4,716,312</u>	<u>3,229,709</u>
Current assets			
Debtors	<u>6</u>	1,138,150	1,638,325
Cash at bank and in hand		171,465	21,946
		<u>1,309,615</u>	<u>1,660,271</u>
Creditors: amounts falling due within one year	<u>7</u>	(74,149,724)	(73,905,496)
Net current liabilities		<u>(72,840,109)</u>	<u>(72,245,225)</u>
Total assets less current liabilities		<u>(68,123,797)</u>	<u>(69,015,516)</u>
Provisions for liabilities			
Other provisions	<u>8</u>	(7,085,758)	(5,634,990)
Net liabilities		<u>(75,209,555)</u>	<u>(74,650,506)</u>
Capital and reserves			
Called up share capital		17,389,842	17,389,842
Capital contribution reserve		(5,789,842)	(5,789,842)
Profit and loss account		(86,809,555)	(86,250,506)
Shareholders' funds		<u>(75,209,555)</u>	<u>(74,650,506)</u>

For the year ending 31 December 2022 the company was entitled to exemption from audit 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 and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 11 September 2023 and were signed on its behalf by

Mr Russell Hoare
Director

Company Registration No. 01421481

THIRD ENERGY UK GAS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Statutory information

Third Energy Uk Gas Limited is a private company, limited by shares, registered in England and Wales, registration number 01421481. The registered office is Keyword House, Viking Road, Great Yarmouth, NR31 0NU, England.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency

The accounts are presented in £ sterling.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment.

Land and buildings includes Gas Development and Production assets.

Fixtures & Fittings includes Decommissioning Assets.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Decommissioning assets: 25 years Straight Line

Renewable Energy assets: 25 years Straight Line

Plant & Machinery: 3-15 years Straight Line

Motor Vehicles & Equipment: 3-4 years Straight Line

Intangible fixed assets

Intangible fixed assets (including purchased goodwill and patents) are included at cost less accumulated amortisation.

Going concern

The directors have a reasonable expectation that the company has adequate resources through these intercompany loan facilities to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of these financial statements. Based on the forecasts prepared and the ongoing support from the parent company, Third Energy Onshore Limited, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

THIRD ENERGY UK GAS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Intangible fixed assets

	Other £
Cost	
At 1 January 2022	1,708,247
At 31 December 2022	1,708,247
Amortisation	
At 1 January 2022	-
At 31 December 2022	-
Net book value	
At 31 December 2022	1,708,247
At 31 December 2021	1,708,247

5 Tangible fixed assets

	Land & buildings £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation	At cost	At cost	At cost	At cost	
At 1 January 2022	6,962,000	1,228,000	98,000	3,451,000	11,739,000
Additions	-	-	2,000	1,521,000	1,523,000
Disposals	(61,000)	-	(4,000)	-	(65,000)
At 31 December 2022	6,901,000	1,228,000	96,000	4,972,000	13,197,000
Depreciation					
At 1 January 2022	6,902,000	1,212,535	93,003	2,010,000	10,217,538
Charge for the year	-	5,535	1,862	-	7,397
Surplus on revaluation	19,000	-	-	-	19,000
On disposals	(52,000)	-	(3,000)	-	(55,000)
At 31 December 2022	6,869,000	1,218,070	91,865	2,010,000	10,188,935
Net book value					
At 31 December 2022	32,000	9,930	4,135	2,962,000	3,008,065
At 31 December 2021	60,000	15,465	4,997	1,441,000	1,521,462

Land & Buildings contains Gas Development and Production Assets.

Motor Vehicles also contains Other equipment

Fixtures & Fittings contains Decommissioning Assets

6 Debtors

	2022 £	2021 £
Amounts falling due within one year		
Trade debtors	602,784	8,020
Amounts due from group undertakings etc.	-	1,335,527
Accrued income and prepayments	535,264	134,507
Other debtors	102	160,271
	1,138,150	1,638,325

THIRD ENERGY UK GAS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Creditors: amounts falling due within one year	2022	2021
	£	£
VAT	2,723	(7,851)
Trade creditors	547,992	134,041
Amounts owed to group undertakings and other participating interests	73,564,968	73,594,584
Taxes and social security	7,838	6,031
Accruals	26,203	178,691
	<u>74,149,724</u>	<u>73,905,496</u>

8 Provisions for liabilities	£
At 1 January 2022	5,634,990
Increase in existing provisions	1,450,768
At 31 December 2022	<u>7,085,758</u>

Provision has been made for the discounted cost of restoring the plant and pipelines on the Company's wellsites and at the main generating station to a condition acceptable to the relevant authorities, which is not anticipated to happen until 26 years after the year end. The Company commissioned Dundas Consultants to calculate the current cost of decommissioning the wellsites, in the unlikely event that decommissioning was required immediately, and they reported in October 2019. These calculations have been adopted in these financial statements and revised to reflect current values at 31 December 2022. Actual decommissioning costs will ultimately depend on the future cost of decommissioning which in turn will be affected by market conditions and regulations at the time. Furthermore, the timing of decommissioning will depend on the date the fields cease to produce at commercial rates which is influenced by factors such as future gas prices, which are inherently uncertain.

9 Controlling party

The immediate and the ultimate parent company is Third Energy Onshore Limited as at the date of signing these statements.

10 Average number of employees

During the year the average number of employees was 6 (2021: 7).

