

Registered number: 02811366

GTL RESOURCES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2021**



	Page
Company Information	2
Report of the Directors	3
Statement of Directors' Responsibilities	4
Report of the Independent Auditor	5 - 7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 15

Directors

Mr J Alarcon
Mr B Schouvieller
Mr M Van Houten

Registered Office

c/o Arthur Cox
12 Gough Square
London EC4A 3DW

Independent Auditor

PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London E14 4HD

Company Number

02811366

The Directors present their report, together with the audited financial statements for the year ended 31 August 2021.

Directors

The Directors of the Company during the year ended 31 August 2021 were:

Mr J Briand (resigned 2 December 2020)
Mr T J Malecha (resigned 15 March 2022)
Ms C Abrams (resigned 2 December 2020)
Mr J Alarcon (appointed 2 December 2020)
Mr B Schouvieller (appointed 2 December 2020)
Mr M Van Houten (appointed 15 March 2022)

Principal Activity

The principal activity of the Company is that of a holding company.

Results and Dividends

The loss for the period after taxation amounted to \$11,000 (2020 – loss \$24,000).

Provision of Information to Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


Auditor

Under section 487 of the Companies Act 2006, PKF Littlejohn LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earlier. PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

Status of this Directors' Report

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

This report was approved by the Board and signed on its behalf.



Mr J Alarcon
Director
Date: June 30, 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 the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

Opinion

We have audited the financial statements of GTL Resources Limited (the 'company') for the year ended 31 August 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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 Financial Reporting Standard 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 state of the company's affairs as at 31 August 2021 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 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. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

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.

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; or
- the directors were not entitled to take advantage of the small companies' exemption 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.

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:

Auditor's responsibilities for the audit of the financial statements (continued)

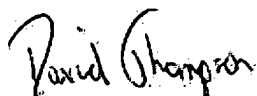
- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through enquiries of management and our cumulative audit knowledge.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from UK GAAP and the Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered the non-rebuttable presumption of a risk of fraud arising from management override of controls represented the most significant risk of management bias.
- We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of this 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.



David Thompson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
Date: 30 June 2022

15 Westferry Circus
Canary Wharf
London E14 4HD

	Note	Year ended 31 August 2021 \$000	Year ended 31 August 2020 \$000
Turnover		-	-
Cost of sales		-	-
Gross Profit/(Loss)		<u>-</u>	<u>-</u>
Administrative expenses		(11)	(24)
Loss on ordinary activities before taxation		<u>(11)</u>	<u>(24)</u>
Tax on loss on ordinary activities	6	-	-
Loss for the financial year		<u>(11)</u>	<u>(24)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(11)</u>	<u>(24)</u>

All amounts relate to continuing operations.

The Accounting Policies and Notes on pages 11 – 15 form part of these financial statements.

GTL RESOURCES LIMITED
COMPANY NUMBER 02811366

BALANCE SHEET
AT 31 AUGUST 2021

	Note	31 August 2021 \$000	31 August 2020 \$000
Fixed Assets			
Investments	7	61,672	61,672
Current Assets			
Debtors:			
Amounts falling due within one year	8	843	843
Cash at bank and in hand		5	6
		<u>848</u>	<u>849</u>
Creditors: amounts falling due within one year	9	<u>(162)</u>	<u>(152)</u>
Net Current Assets		686	697
Net Assets		<u>62,358</u>	<u>62,369</u>
Capital and Reserves			
Called-up share capital	10	602	602
Share premium account		317	317
Profit and loss account		61,439	61,450
Shareholder's Funds		<u>62,358</u>	<u>62,369</u>

The Accounting Policies and Notes on pages 11 - 15 form part of these financial statements.

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

Junior Alarcon

Mr J Alarcon
 Director
 Date: June 30, 2022

GTL RESOURCES LIMITED
**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 AUGUST 2020**

	Called-up share capital \$000	Share Premium Account \$000	Profit and loss account \$000	Total \$000
Balance as at 31 August 2019	602	317	61,474	62,393
Loss for the period	-	-	(24)	(24)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(24)	(24)
Balance as at 31 August 2020	602	317	61,450	62,369
Balance at 1 September 2020	602	317	61,450	62,369
Loss for the year	-	-	(11)	(11)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(11)	(11)
Balance as at 31 August 2020	602	317	61,439	62,358

The Accounting Policies and Notes on pages 11 – 15 form part of these financial statements.

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 12 Gough Square, London EC4A 3DW.

2. Statement of compliance

The individual financial statements of GTL Resources Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and the Companies Act 2006.

3. Summary of significant accounting policies

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. The Company has adopted FRS 102 in these financial statements.

Basis of Preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 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. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions.

The Company has taken advantage of the following exemptions:

- The requirements of Section 7 *Statement of Cash Flows*
- The requirements of Section 33 *Related Party Disclosures paragraph 33.7*

Consolidated financial statements

The Company is a wholly owned subsidiary of CHS Inc. and is included in those consolidated financial statements, which are publicly available. The Company is exempt by virtue of section 33.1A of FRS 102 and Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The consolidated financial statements of CHS Inc. can be obtained from the US Securities and Exchange Commission.

Foreign currency*(i) Functional and presentational currency*

The Company's functional and presentational currency is US Dollars.

(ii) Transactions and balances

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

Taxation

Taxation expense or credit for the year comprises current and deferred tax recognised in the reporting period.

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 year end.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the Company's taxable profit or loss and its results as stated in the Financial Statements that arise from the inclusion of gains or losses in tax assessments in periods different from those in which they are recognised in the Financial Statements. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the period end that are expected to apply to the reversal of the timing difference.

Investments*Investment in subsidiary undertakings*

Investments in subsidiary undertakings are held at cost less accumulated impairment losses.

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Operating Loss

	2021 \$'000	2020 \$'000
This is stated after charging/ (crediting):		
Difference on foreign exchange	-	-
	<u> </u>	<u> </u>

5. Auditors' Remuneration

	2021 \$000	2020 \$000
Fees payable to the Company's auditor for the audit of the Company	13	14
Fees payable to the Company's auditor for other services:		
- Tax compliance services	3	3
	<u>16</u>	<u>17</u>
	<u> </u>	<u> </u>

6. Income tax

	2021 \$000	2020 \$000
Tax expense/(credit) included in profit and loss		
Current tax:		
UK Corporation tax on loss for the year	-	-
	<u> </u>	<u> </u>
Total current tax	-	-
	<u> </u>	<u> </u>

Factors that may affect future tax charges

The Company has UK losses carried forward of approximately \$30,600,000 in trade losses, \$4,600,000 in excess management expenses and \$9,200,000 in capital losses which do not expire under current UK tax legislation. These UK tax losses carried forward have not been recognised as deferred tax assets as it is more likely than not that the losses will not be utilised.

7. Fixed Asset Investments

	Investments in subsidiary companies \$000
Cost and net book value	
At 1 September 2020 and 31 August 2021	61,672

GTL Resources Overseas Investments Limited

The Company owns 100% of the ordinary share capital of its subsidiary, GTL Resources Overseas Investments Limited (2020: 100%). GTL Resources Overseas Investments Limited is incorporated in the UK.

The following are subsidiary undertakings of the Company:

Name	Business	Country of Incorporation/ registration
GTL Resources Overseas Investments Limited	Holding company	UK
GTL Resources USA Inc	Holding company	USA
Illinois River Energy LLC	Ethanol production	USA
Patriot Renewable Fuels LLC	Ethanol production	USA
Patriot Land Holdings LLC	Holding company	USA

All subsidiaries are indirectly owned except for GTL Resources Overseas Investments Limited.

8. Debtors

	2021 \$000	2020 \$000
Amounts owed by group undertakings	843	843
	<u>843</u>	<u>843</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: Amounts falling due within one year

	2021	2020
	\$000	\$000
Accruals and deferred income	66	79
Amount owed to ultimate parent undertaking	95	73
	<u>162</u>	<u>152</u>

10. Share Capital and Reserves

	2021	2020
Allotted, Called-up and Fully Paid		
31,988,746 Ordinary shares of £0.01 each	£319,887	£319,887
	<u>£319,887</u>	<u>£319,887</u>

The Company's share capital is denominated in sterling and recorded at historic exchange rates at the date of issue. The Company's share capital in US dollars is \$602,053 (2020 - \$602,053).

The share premium reserve contains the premium arising on issue of equity shares.

The profit and loss reserve represents cumulative profits or losses.

11. Events after the reporting date

COVID-19 is a developing situation which will need continued attention and which will evolve over time. In the Directors' view no adjustment is required in these financial statements as a result. It is not possible to quantify the impact, if any, at this stage.

12. Ultimate Parent Undertaking and Controlling Party

The immediate parent undertaking is Sinav Limited.

The ultimate parent undertaking and controlling party is CHS Inc., a company incorporated in the USA.

The smallest and largest group for which consolidated accounts are prepared is CHS Inc.