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**WELLAND OPERATIONS LIMITED**

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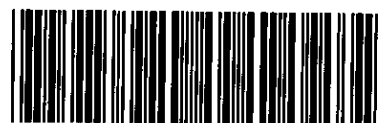
**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MAY 2023**

THURSDAY



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29/02/2024

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COMPANIES HOUSE

**WELLAND OPERATIONS LIMITED**  
**REGISTERED NUMBER: 10524720**

**BALANCE SHEET**  
**AS AT 31 MAY 2023**

	Note	Year end 31 May 2023 £	Period ended 31 May 2022 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	395,028	112,986
Cash at bank and in hand	5	654,333	693,453
		<u>1,049,361</u>	<u>806,439</u>
Creditors: amounts falling due within one year	6	(1,047,361)	(552,291)
<b>Net current assets</b>		<u>2,000</u>	<u>254,148</u>
<b>Net assets</b>		<u><u>2,000</u></u>	<u><u>254,148</u></u>
<b>Capital and reserves</b>			
Called up share capital	7	1,000	1,000
Profit and loss account		1,000	253,148
		<u><u>2,000</u></u>	<u><u>254,148</u></u>

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The 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 on

  
Ian Crummack  
Director

The notes on pages 3 to 7 form part of these financial statements.

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**WELLAND OPERATIONS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2023**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	1,000	-	1,000
<b>Comprehensive income for the period</b>			
Profit for the period	-	253,148	253,148
<b>At 1 June 2022</b>	1,000	253,148	254,148
<b>Comprehensive income for the year</b>			
Profit for the year	-	79,327	79,327
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(331,475)	(331,475)
<b>At 31 May 2023</b>	1,000	1,000	2,000

The notes on pages 3 to 7 form part of these financial statements.

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## WELLAND OPERATIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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#### 1. General information

Welland Operations Limited is a private company limited by shares and is incorporated in England. The registered office is 50-54 Oswald Road, Scunthorpe, Lincolnshire, DN15 7PQ. The principal place of business is Welland Bio Power Plant, Pebblehall Farm, Theddingworth, Lutterworth, LE17 6NJ.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The financial statements have been prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

##### 2.2 Reporting period

The current reporting period is for the year ended 31 May 2023 whilst the previous reporting period is for the period 1 January 2021 to 31 May 2022. The change of reporting period was to bring the year end in line with group. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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## WELLAND OPERATIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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## 2. Accounting policies (continued)

### 2.4 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

### 2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable 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.

### 2.7 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.

### 2.8 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.

### 2.9 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

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## WELLAND OPERATIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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## 2. Accounting policies (continued)

### 2.9 Financial instruments (continued)

#### Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

#### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

#### Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

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## WELLAND OPERATIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

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#### 2. Accounting policies (continued)

##### 2.9 Financial instruments (continued)

###### Derecognition of financial instruments

###### Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

###### Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

##### 2.10 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.

#### 3. Employees

The average monthly number of employees, including directors, during the year was 22 (2022 - 26).

#### 4. Debtors

	<b>Year ended</b> <b>31 May 2023</b>	<b>Period ended</b> <b>31 May 2022</b>
	£	£
Trade debtors	49,843	112,986
Other debtors	22,585	-
Prepayments and accrued income	322,600	-
	<b>395,028</b>	<b>112,986</b>

#### 5. Cash and cash equivalents

	<b>Year ended</b> <b>31 May 2023</b>	<b>Period ended</b> <b>31 May 2022</b>
	£	£
Cash at bank and in hand	654,333	693,453

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WELLAND OPERATIONS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2023

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6. Creditors: Amounts falling due within one year

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Trade creditors	562,790	347,707
Amounts owed to group undertakings	367,492	57,962
Corporation tax	19,835	-
Other taxation and social security	39,482	80,294
Other creditors	6,419	-
Accruals and deferred income	51,343	66,328
	<u>1,047,361</u>	<u>552,291</u>

7. Share capital

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
<b>Allotted, called up and fully paid</b>		
1,000 (2022 - 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</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 £40,854 (2022 - £23,001). Contributions totalling £6,419 (2022 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

9. Controlling party

The ultimate parent undertaking is Cobalt Energy Holdings Limited. Cobalt Energy Holdings Limited is controlled by the director, Ian Crummack and Cobalt Energy Holdings Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements.

The parent undertaking is Cobalt Energy Operational Services Limited.

The consolidated financial statements of Cobalt Energy Holdings Limited are available to the public and may be obtained from the company secretary, Cobalt Energy Holdings Limited, 50-54 Oswald Road, Scunthorpe, Lincolnshire, DN15 7PQ.