

Forsa Energy CM Holdings Limited

Directors' Report and Unaudited

Financial Statements

Year Ended

31 December 2022

Company Number 10915318

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Forsa Energy CM Holdings Limited

Company Information

Directors	Alan Baker Alessandro Boninsegna Jonathan Poley Stephen Hutt
Registered number	10915318
Registered office	Masters House 107 Hammersmith Road London W14 0QH
Accountants	BDO LLP 55 Baker Street London W1U 7EU

Forsa Energy CM Holdings Limited

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Forsa Energy CM Holdings Limited

Directors' Report For the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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 elected to prepare 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'. 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 to 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.

Principal activity

The principal activity of the company during the year continued to be that of a holding company.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Company is dependent upon an interest-bearing loan from its parent, and ultimately related party lending from Forsa UK Holdings Limited, until revenues from primary business activities are sufficient to satisfy its obligations and fully finance its business activities and development programs. The Company believes that it has the necessary capital resources at the balance sheet date to continue as a going concern when taking into account the ability to obtain additional financing to continue to fund future business activities until the Company can fund this through internally generated cash flow.

The Directors confirm that they have complied with the requirements of Companies Act 2006. Based on the assessment they have made of the Group's financial situation, they have concluded they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

As such, the Directors have adopted the going concern basis in preparing the Annual Report and Financial Statements.

Forsa Energy CM Holdings Limited

Directors' Report (continued) For the Year Ended 31 December 2022

Directors

The Director who served during the year, and to the date of signing, were:

Alan Baker
Jonathan Poley
Alessandro Boninsegna
Stephen Hutt (appointed 14 March 2023)

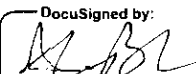
Qualifying third party indemnity provisions

The company has arranged qualifying third party indemnity for all of its Directors.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

DocuSigned by:

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Alan Baker
Director

Date: 22 September 2023

Forsa Energy CM Holdings Limited

Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Forsa Energy Cm Holdings Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Forsa Energy CM Holdings Limited for the year ended 31 December 2022 which comprise the Income Statement and Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

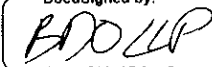
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>.

It is your duty to ensure that Forsa Energy CM Holdings Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Forsa Energy CM Holdings Limited. You consider that Forsa Energy CM Holdings Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Forsa Energy CM Holdings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Forsa Energy CM Holdings Limited, as a body, in accordance with the terms of our engagement letter dated 18 December 2020. Our work has been undertaken solely to prepare for your approval the accounts of Forsa Energy CM Holdings Limited and state those matters that we have agreed to state to the board of directors of Forsa Energy CM Holdings Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Forsa Energy CM Holdings Limited and its board of directors as a body for our work or for this report.

DocuSigned by:

E031650310BC41C.

BDO LLP
Chartered accountants
55 Baker Street
London
W1U 7EU

Date: 22/9/2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Forsa Energy CM Holdings Limited

Income Statement and Statement of Comprehensive Income For the Year Ended 31 December 2022

	2022 £	2021 £
Administrative expenses	(10,027)	(7,855)
Operating loss	(10,027)	(7,855)
Interest receivable and similar income	302,482	133,734
Interest payable and expenses	(305,469)	(135,821)
Loss before tax	(13,014)	(9,942)
Tax on loss	-	-
Loss for the financial year	(13,014)	(9,942)

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 7 to 12 form part of these financial statements.

Forsa Energy CM Holdings Limited

Registered number:10915318

**Statement of Financial Position
As at 31 December 2022**

	Note	2022 £	2021 £
Fixed assets			
Fixed asset investments		18	22
Current assets			
Debtors: amounts falling due within one year	5	26,407	2,521,374
Current liabilities		26,407	2,521,374
Creditors: amounts falling due within one year	6	(74,907)	(2,556,864)
Net current liabilities		(48,500)	(35,490)
Total assets less current liabilities		(48,482)	(35,468)
Net liabilities		(48,482)	(35,468)
Capital and reserves			
Share capital	7	2	2
Profit and loss account		(48,484)	(35,470)
		(48,482)	(35,468)

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 were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by

Alan Baker
 Director

Date: 22 September 2023

The notes on pages 7 to 12 form part of these financial statements.

Forsa Energy CM Holdings Limited

Statement of Changes in Equity For the Year Ended 31 December 2022

	Share capital £	Profit and loss account £	Total equity £
At 1 January 2021	2	(25,528)	(25,526)
Comprehensive loss for the year			
Loss for the year	-	(9,942)	(9,942)
At 1 January 2022	2	(35,470)	(35,468)
Comprehensive loss for the year			
Loss for the year	-	(13,014)	(13,014)
At 31 December 2022	2	(48,484)	(48,482)

The notes on pages 7 to 12 form part of these financial statements.

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements are presented in Pound Sterling, the presentation and functional currency of the company with figures rounded to the nearest pound. The company is limited by shares and is incorporated in the United Kingdom.

The accounts have been prepared in accordance with FRS 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. There are no material departures from these standards.

The company has taken advantage of the exemption from preparing group accounts, allowed by the Companies Act 2006. The company accounts are included in the group accounts of Forsa UK Holdings Limited, incorporated in England and Wales; company number 12938480.

1.2 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Company is dependent upon an interest-bearing loan from its parent, and ultimately related party lending from Forsa UK Holdings Limited, until revenues from primary business activities are sufficient to satisfy its obligations and fully finance its business activities and development programs. The Company believes that it has the necessary capital resources at the balance sheet date to continue as a going concern when taking into account the ability to obtain additional financing to continue to fund future business activities until the Company can fund this through internally generated cash flow.

The Directors confirm that they have complied with the requirements of Companies Act 2006. Based on the assessment they have made of the Group's financial situation, they have concluded they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the accounts.

As such, the Directors have adopted the going concern basis in preparing the Annual Report and Financial Statements.

1.3 Interest income

Interest income relates to loans from other group entities and is recognised in the Statement of Comprehensive Income using the effective interest method.

1.4 Interest payable

Interest costs in relation to loans from other group entities are recognised in the income statement as they accrue. Interest income and expenditure relates to cash at bank and loans to and from other group entities.

1.5 Loans

Loans with other group entities are considered "basic" financial instruments as defined under FRS 102 par 11.5 and 11.8 and are recognised at amortised cost.

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.6 Valuation of investments

Fixed asset investments in subsidiaries and joint ventures are held at cost. The company assesses *investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable*. If any such indication of impairment exists, the company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

1.7 Current and deferred taxation

Tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income or 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.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred tax is accounted for in respect of all timing differences that have originated but not reversed by balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Current and deferred tax balances are not discounted.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the difference between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

1.8 Debtors

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

Loans Receivable from subsidiary companies are measured at historical cost and subsequently measured at amortised cost less any impairment. The loans are amortised using the effective interest rate method.

1.9 Creditors

Short-term creditors, including intercompany loans payable, are measured at the transaction price, including transaction costs. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.10 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the Company's transaction streams and year-end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

3. Employees

The company had no employees during the year (2021 - Nil). No remuneration or pension was paid to the directors for their services to the company during the year (2021 - £Nil). The directors of the company receive remuneration from a separate limited company.

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	20
Disposals	(2)
	<hr/>
At 31 December 2022	18 <hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Claverhouse Generation Limited	Ordinary	100%
Baker Street Generation Limited	Ordinary	100%
Belleknowes Generation Limited	Ordinary	100%
Fishcross Generation Limited	Ordinary	100%
Abercorn Generation Limited	Ordinary	100%
Forsa Energy (Spango) Holdings Limited	Ordinary	100%
Forsa Energy (Beryl Street) Holdings Limited	Ordinary	100%
Forsa Energy (Harelaw) Holdings Limited	Ordinary	100%
Forsa Energy (Drumcross) Holdings Limited	Ordinary	100%
Forsa Energy (Erksine) Holdings Limited	Ordinary	100%

The subsidiaries registered office is as follows: Clyde View (Suite F3) Riverside Business Park, 22 Pottery Street, Greenock, Scotland, PA15 2UZ.

During the year, the Company the company disposed of its 100% shareholding in Caledon Green Generation Limited.

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

5. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	25,962	2,521,042
Social securities and taxation	445	332
	<u>26,407</u>	<u>2,521,374</u>

Amounts owed by group undertakings of £25,962 (2021 - £2,521,042) relates to a 9% (2021 - 9%) interest bearing loan that is unsecured and repayable on demand.

6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	1,991
Amounts owed to group undertakings	70,442	2,553,048
Accruals and deferred income	4,465	1,825
	<u>74,907</u>	<u>2,556,864</u>

Amounts owed to group undertakings of £70,444 (2021 - £2,553,048) relates to a 9% (2021 - 9%) interest bearing loan that is unsecured and repayable on demand.

7. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2 Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

Forsa Energy CM Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

8. Related party transactions

The company has taken exemption under FRS 102 paragraph 1AC.35 from disclosing transactions with group companies, on the grounds that each company party to the transactions is wholly owned within the group.

9. Subsequent events

On the 1 March 2023, the Company disposed of its 100% shareholding in Abercorn Generation Limited.

10. Controlling party

The company's immediate parent undertaking is Forsa Energy Gas Holdings Limited. The largest and smallest group of which the company is a member of which group financial statements are prepared is Forsa UK Holdings Limited. Copies of the financial statements of Forsa UK Holdings Limited can be obtained from the company's registered office 3 More London Riverside, London, United Kingdom, SE1 2AQ.

The company's ultimate parent undertaking and controlling party at the year end date was Tiger Infrastructure Associates GP III, LP a limited partnership established in USE - Delaware.