

Company registration number 11430340 (England and Wales)

HAMS WARRINGTON LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HAMS WARRINGTON LIMITED

COMPANY INFORMATION

Directors	Mr B J Gowrie-Smith Mr P E Fjeld Mr M Ma Ms S Trivellato
Secretary	CNG Fuels Ltd
Company number	11430340
Registered office	250 Wharfedale Road Winnersh Triangle Wokingham Berkshire RG41 5TP
Auditor	Deloitte LLP, Statutory Auditor 2 New Street Square London EC4A 3BZ

HAMS WARRINGTON LIMITED

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HAMS WARRINGTON LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

Principal activities

The principal activities of the company is the operation of a compressed natural gas refuelling station in Warrington, England.

Results and dividends

The directors find the results for the year satisfactory and as expected. The results for the year are set out on page 7.

No dividends were paid during the year and the directors do not recommend a payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B J Gowrie-Smith
Mr P E Fjeld
Mr M Ma
Ms S Trivellato

Directors' insurance

The directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. This was in force throughout the financial period and still in force at the time of approving the financial statements.

Financial instruments

Details on the Company's risk management objectives and policies can be seen in the notes 11,14 and 19 to the financial statements.

Post reporting date events

The entity has no post balance sheet events of note to report.

Auditor

The auditor, Deloitte LLP, Statutory Auditor, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

HAMS WARRINGTON LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

This expectation arises due to the forecasted future profitability and cash flows of the business, which the directors believe provide strong indication of the entity's ability to continue as a going concern.

The directors have also considered the conflict in Ukraine in their assessment of the Company's ability to continue in operational existence. Although this conflict has driven the market price of the wholesale gas up, post reporting date sales volumes continue to grow and in the short term the directors do not believe the conflict is directly or indirectly causing material worry to the Company's ability continue as a going concern.

The directors have assessed the increased inflation environment that the business is operating in post year-end. This has led to inflation across the business in energy prices and some critical equipment manufactured for the maintenance of the Company's assets. The business does not have significant direct exposure to interest rate increases by the Bank of England to mitigate the high inflation.

Small companies

The Company has taken advantage of exemptions available to UK small companies under the Companies Act 2006, to not deliver a strategic report with these financial statements. It has also elected not to include optional disclosures for UK small companies within the directors report on matters of research and development activities and future developments.

Approved and authorised for issue by the board of directors and signed on its behalf by:

Mr B J Gowrie-Smith
Director

19 December 2022

HAMS WARRINGTON LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the annual 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 United Kingdom adopted International Accounting Standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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.

HAMS WARRINGTON LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAMS WARRINGTON LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Hams Warrington Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flow;
- the statement of accounting policies; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

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 Financial Reporting Council's (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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

HAMS WARRINGTON LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HAMS WARRINGTON LIMITED

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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

HAMS WARRINGTON LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HAMS WARRINGTON LIMITED

Report on other legal and regulatory requirements

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.

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our 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.

William Brooks FCA (Senior Statutory Auditor)
For and behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

19 December 2022

HAMS WARRINGTON LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

		2022 £	2021 £
	Notes		
Revenue	4	5,738,136	2,392,502
Cost of sales		(5,177,407)	(1,836,684)
Gross profit		560,729	555,818
Administrative expenses		(481,054)	(467,806)
Operating profit	5	79,675	88,012
Finance costs	7	-	(54,960)
Profit before taxation		79,675	33,052
Income tax expense	8	-	-
Profit and total comprehensive income for the year		79,675	33,052

HAMS WARRINGTON LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Non-current assets			
Property, plant and equipment	9	5,238,882	5,364,809
Current assets			
Trade and other receivables	10	1,672,963	707,248
Cash and cash equivalents		128,477	76,058
		1,801,440	783,306
Current liabilities			
Trade and other payables	13	1,717,916	905,384
Net current assets/(liabilities)		83,524	(122,078)
Net assets		5,322,406	5,242,731
Equity			
Called up share capital	15	1,336,021	1,336,021
Share premium account	16	4,037,248	4,037,248
Capital contribution reserve	18	47,083	47,083
Capital redemption reserve	17	1	1
Retained earnings		(97,947)	(177,622)
Total equity		5,322,406	5,242,731

The financial statements were approved by the board of directors and authorised for issue on 19 December 2022 and are signed on its behalf by:

Mr B J Gowrie-Smith
Director

Company registration number 11430340

HAMS WARRINGTON LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Share premium account	Capital redemption reserve	Capital contribution reserve	Retained earnings	Total
Notes	£	£	£	£	£	£
Balance at 1 April 2020	10	4,037,248	-	-	(210,674)	3,826,584
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	33,052	33,052
Issue of share capital	15	1,336,012	-	-	-	1,336,012
Capital contributions received		-	-	47,083	-	47,083
Redemption of shares	15	-	-	1	-	1
Reduction in shares	15	(1)	-	-	-	(1)
Balance at 31 March 2021		1,336,021	4,037,248	1	47,083	(177,622)
Year ended 31 March 2022:						
Profit and total comprehensive income for the year		-	-	-	79,675	79,675
Balance at 31 March 2022		1,336,021	4,037,248	1	47,083	(97,947)
						5,322,406

HAMS WARRINGTON LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		52,419		(444,254)
Interest paid			-		(54,960)
Net cash inflow/(outflow) from operating activities			52,419		(499,214)
Investing activities					
Purchase of property, plant and equipment		-		(287,151)	
Net cash used in investing activities			-		(287,151)
Net increase/(decrease) in cash and cash equivalents			52,419		(786,365)
Cash and cash equivalents at beginning of year			76,058		862,423
Cash and cash equivalents at end of year			128,477		76,058

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Hams Warrington Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office is 250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, RG41 5TP. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with United Kingdom adopted international accounting standards [and with International Financial Reporting Standards as issued by the IASB], except as otherwise stated.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

This expectation arises due to the forecasted future profitability and cash flows of the business, which the directors believe provide strong indication of the entity's ability to continue as a going concern.

The directors have also considered the conflict in Ukraine in their assessment of the Company's ability to continue in operational existence. Although this conflict has driven the market price of the wholesale gas up, post reporting date sales volumes continue to grow and in the short term the directors do not believe the conflict is directly or indirectly causing material worry to the Company's ability continue as a going concern.

The directors have assessed the increased inflation environment that the business is operating in post year-end. This has led to inflation across the business in energy prices and some critical equipment manufactured for the maintenance of the Company's assets. The business does not have significant direct exposure to interest rate increases by the Bank of England to mitigate the high inflation.

1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

The company recognises revenue from the following major sources:

- Sales of Natural gas

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Sales of Natural gas

Natural gas sales relate to charges for the cost of natural gas drawn by customers. Natural gas prices are market driven which fluctuate monthly due to a range of micro and macro economic factors. Prices rose throughout the year due to geopolitical issues, exaggerated further by the war in Ukraine. Natural Gas revenue is recognised at the point of sale and customers are invoiced monthly. The point of sale is the point at which gas is dispensed to the customer.

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Land is not depreciated
Plant and equipment	20 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.5 Borrowing costs related to non-current assets

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The commencement of capitalisation begins when both finance costs and expenditure for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete, or where construction is suspended for a significant period of time.

1.6 Impairment of property, plant and equipment

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision. The expected loss rates are based on the Company's historical credit losses experienced over the three year period to the year end. Other factors such as the wider economic environment the Company and its customers operate in are also considered, with any impairments recorded in the statement of comprehensive income within administrative expenses.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised standards and interpretations have been adopted by the Company. The impact of the adoption of these amendments is not deemed to have a material effect on the current period or prior period, and is not anticipated to have a material effect on future periods:

- Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the UK):

- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)
- Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards—Subsidiary as a First-time Adopter,
- Amendment to IFRS 9 Financial Instruments — Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- Amendment to IAS 41 Agriculture—Taxation in Fair Value Measurements.
- IFRS 17 Insurance Contracts, amendments to IFRS 17 and initial Application of IFRS 17 and IFRS 9 Comparative Information

The directors anticipate that the adoption of these standards, amendments and interpretations in future periods will not have a material impact on the financial statements of the Company.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below. The directors do not consider there to be any critical judgements impacting the financial statements.

Key sources of estimation uncertainty

Property, plant and equipment

Property, plant and equipment assets are depreciated over their estimated useful economic lives (UEL), which is estimated by management in terms of how long the assets will remain operational and continue to generate economic benefits. Any anticipated residual values are taken into account where appropriate. The actual useful lives of assets and their estimated residual values are reviewed annually and can vary based on a number of factors. The assessment of residual values consider the condition, remaining useful live and projected disposal value of the asset.

The significance of this estimate is that it will determine the value of depreciation charged to the income statement each year and the carrying value of property, plant and equipment in the statement of financial position.

In respect of Compressed Natural Gas refuelling station development costs, included within plant and equipment, the depreciation charge for each year, at 20 years UEL, is £231,000. The sensitivity on annual depreciation charges arising on this class of asset, due to estimates of UEL, can be illustrated as follows:

The additional depreciation charge that would be incurred should UEL estimate be revised down to:

- 15 years UEL (-5 years), would result in an increase of £77,000 per year
- 10 years UEL (-10 years), would result in an increase of £231,000 per year

The reduction in depreciation charge that would be realised should UEL estimate be revised up to:

- 25 years UEL (+5 years), would result in a decrease of £46,000 per year
- 30 years UEL (+10 years), would result in a decrease of £77,000 per year

Figures above are rounded to the nearest £000's.

4 Revenue

	2022	2021
	£	£
Revenue analysed by class of business		
Sales of Natural Gas	5,738,136	2,392,502
	<u>5,738,136</u>	<u>2,392,502</u>
	2022	2021
	£	£
Revenue analysed by geographical market		
United Kingdom	5,738,136	2,392,502
	<u>5,738,136</u>	<u>2,392,502</u>

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	15,000	9,000
Depreciation of property, plant and equipment	230,724	184,580

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	-	-

The directors are the only employees of the company and received emoluments of £Nil (2021: £Nil) for their services to the Company.

7 Finance costs

	2022 £	2021 £
Other interest payable	-	54,960

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Income tax expense

	2022	2021
	£	£
The charge for the year can be reconciled to the profit per the income statement as follows:		
	2022	2021
	£	£
Profit before taxation	79,675	33,052
Expected tax charge based on a corporation tax rate of 19.00% (2021: 19.00%)	15,138	6,280
Effect of expenses not deductible in determining taxable profit	1,732	1,114
Change in unrecognised deferred tax assets	33,772	(6,244)
Group relief	(59,317)	-
Depreciation on assets not qualifying for tax allowances	17,101	13,681
Effect of capitalised interest costs claimed under loan relationships	-	(14,831)
Effect of super deduction enhanced capital allowances	(321)	-
Effect of future increase in corporation tax rate used to calculate unrecognised deferred tax assets	(8,105)	-
Taxation charge for the year	-	-

In the March 2021 Budget it was announced that legislation will be introduced in Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 1 April 2023. The expected future impact of this will be an increase in current tax charges for any profits taxed at the main rate.

The Company has tax adjusted losses carried forward of £2,879,608 (2021: £2,879,608) and temporary differences relating to accelerated capital allowances of £2,566,709 (2021: £2,701,796), for which a deferred tax asset of £78,225 (2021: £44,453) has not been recognised. The value of the unrecognised deferred tax asset disclosed is calculated at 25%, being the rate of tax expected to apply to the Company's taxable profits, at the point at which the losses are utilised and temporary differences reverse.

The tax adjusted losses carried forward do not have an expiry date.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Property, plant and equipment

	Freehold land	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2020	564,900	4,302,493	4,867,393
Additions	-	681,996	681,996
	<hr/>	<hr/>	<hr/>
At 31 March 2021	564,900	4,984,489	5,549,389
Additions	-	104,797	104,797
	<hr/>	<hr/>	<hr/>
At 31 March 2022	564,900	5,089,286	5,654,186
	<hr/>	<hr/>	<hr/>
Accumulated depreciation and impairment			
At 1 April 2020	-	-	-
Charge for the year	-	184,580	184,580
	<hr/>	<hr/>	<hr/>
At 31 March 2021	-	184,580	184,580
Charge for the year	-	230,724	230,724
	<hr/>	<hr/>	<hr/>
At 31 March 2022	-	415,304	415,304
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2022	564,900	4,673,982	5,238,882
	<hr/>	<hr/>	<hr/>
At 31 March 2021	564,900	4,799,909	5,364,809
	<hr/>	<hr/>	<hr/>

During the year, borrowing costs of £Nil (2021: £24,845) have been included in the cost of additions to plant and equipment and are comprised of loan interest only, calculated at the effective interest method.

10 Trade and other receivables

	2022	2021
	£	£
Trade receivables	692,115	563,895
Contract assets (note 12)	873,423	-
Amounts owed by fellow group undertakings	12,964	6,600
Amounts owed by related parties	94,461	136,753
	<hr/>	<hr/>
	1,672,963	707,248
	<hr/>	<hr/>

All trade receivable balances are due from related parties.

Amounts owed by group undertakings and related parties consist of intercompany loans, which are unsecured, do not bear interest and are repayable on demand.

11 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Trade receivables - credit risk

(Continued)

No significant receivable balances are impaired at the reporting end date.

At 31 March 2022, trade receivables are shown net of an allowance for doubtful debts of £Nil (2021: £Nil). Write-offs, reversals and new provisions were all £Nil during the year (2021: £Nil).

The expected credit loss rate applied to trade receivables and contract assets is based on the Company's historical credit losses experienced over the three year period to 31 March 2022, which are nil. As such, management has not elected to provide for any expected credit losses arising against trade receivables outstanding at the period end. The directors have considered the nature of the relationship with the Company's primary trade receivable, CNG Fuels Ltd, in their assessment of the credit risk of this customer, and judge it to be remote due to its associate relationship and ongoing commercial arrangements in place.

12 Contracts with customers

	2022 Period end £	2021 Period end £	2021 Period start £
Contracts in progress			
Contract assets	873,423	-	519,137

Contract asset balances relate to revenues that are recognised, but not yet invoiced, as performance obligations within underlying contracts are satisfied. In most instances this is the delivery and change in control of goods sold to customers. The timing of the corresponding customer trade receivable invoice being raised is typically the month following delivery of the goods, and so contract asset balances are recognised on the statement of financial position until such time when the sale invoice is raised and the balance becomes a trade receivable.

In prior year, revenue was all invoiced in the month in which the performance obligation within the underlying contract was satisfied, as such no contract asset balance existed at 31 March 2021.

Contract asset balances are typically invoiced to the contract customer within 1 months of the reporting date.

13 Trade and other payables

	2022 £	2021 £
Trade payables	136,805	34,160
Amount owed to parent undertaking	277,037	370,000
Amounts owed to related parties	-	37,436
Accruals	1,304,074	356,214
Social security and other taxation	-	107,574
	<u>1,717,916</u>	<u>905,384</u>

Included in trade payables are balances owed to related parties of £119,416 (£2021: £34,160). These balances are unsecured and do not bear interest.

Amounts owed to parent undertaking and related parties consist of intercompany loans, which bear no interest and are repayable on demand.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Liquidity risk

The following table details the remaining contractual maturity for the company's financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the company may be required to pay.

	Less than 1 month £	1 – 3 months £	3 months to 1 year £	Total £
At 31 March 2021				
Trade and other payables	441,597	-	-	441,597
	<u>441,597</u>	<u>-</u>	<u>-</u>	<u>441,597</u>
At 31 March 2022				
Trade and other payables	395,497	16,093	2,252	413,842
	<u>395,497</u>	<u>16,093</u>	<u>2,252</u>	<u>413,842</u>

Liquidity risk management

Responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

15 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Authorised, issued and fully paid				
Ordinary of £1 each	<u>1,336,021</u>	<u>1,336,021</u>	<u>1,336,021</u>	<u>1,336,021</u>

There were no movements in share capital during the year.

16 Share premium account

	2022 £	2021 £
At the beginning and end of the year	<u>4,037,248</u>	<u>4,037,248</u>

Share premium account

The share premium reserve records the amount above the nominal value received for shares issued.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Capital redemption reserve

	2022 £	2021 £
At the beginning of the year	1	-
Purchase of own shares	-	1
	<u>1</u>	<u>1</u>
At the end of the year	<u>1</u>	<u>1</u>

18 Capital contribution reserve

	2022 £	2021 £
At the beginning of the year	47,083	-
Contributions received	-	47,083
	<u>47,083</u>	<u>47,083</u>
At the end of the year	<u>47,083</u>	<u>47,083</u>

During the prior year, the previous parent company Hams Infrastructure Limited, made capital contributions to the Company, by way of the release of intercompany loans payable by the Company to that parent.

19 Capital risk management

The company is not subject to any externally imposed capital requirements.

20 Controlling party

The immediate parent company is CNG Foresight Limited and its registered office is 250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP.

The smallest and largest group into which the company is consolidated is the CNG Foresight Limited group, whose financial statements are available at 250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP.

The ultimate parent company is Averon Park Limited and its registered office is C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG.

Averon Park Limited is owned by a number of shareholders and individually no shareholder can exert control.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Related party transactions

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2022	2021	2022	2021
	£	£	£	£
Entities with joint control or significant influence over the company	5,738,135	976,748	5,177,407	297,470
Other related parties	-	-	-	28,467
	<u>5,738,135</u>	<u>976,748</u>	<u>5,177,407</u>	<u>325,937</u>

Purchase of services in year:

	2022	2021
	£	£
Parent company	-	28,250
Entities with joint control or significant influence over the company	228,102	288,965
	<u>228,102</u>	<u>317,215</u>

Sale and purchase of goods in the year relate to revenues invoiced to and the purchase of natural gas and electricity units from CNG Fuels Ltd. These transactions were at market rate.

Purchases of services from entities which have significant influence over the Company, were that of recharged administrative expenditure from CNG Fuels Ltd, under an operator and management agreement.

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due to related parties		
Parent company	277,143	370,000
Entities with joint control or significant influence over the company	119,310	-
Other related parties	-	71,597
	<u>396,453</u>	<u>441,597</u>

Amounts due to parent company and entities with significant influence over the Company, consist of trade payable balances and intercompany loans, which are unsecured and bear no interest. Trade payable balances are due within the supplier's standard credit terms and intercompany loans are repayable on demand.

HAMS WARRINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due from related parties		
Entities with joint control or significant influence over the company	692,114	563,896
Amounts due from fellow group undertakings	12,964	6,600
Other related parties	94,461	136,753
	<u>799,539</u>	<u>707,249</u>

Amounts due from entities with significant influence over the Company consist of trade receivable balances due from CNG Fuels Ltd, which are unsecured, bear no interest and are due within the Company's standard credit terms.

Amounts due from fellow group undertakings and other related parties consist of intercompany loans, which are unsecured, carry no interest and are repayable on demand.

22 Cash generated from/(absorbed by) operations

	2022	2021
	£	£
Profit for the year before income tax	79,675	33,052
Adjustments for:		
Finance costs	-	54,960
Depreciation and impairment of property, plant and equipment	230,724	184,580
Movements in working capital:		
(Increase)/decrease in contract assets	(873,423)	519,137
(Increase)/decrease in trade and other receivables	(92,292)	656,137
Increase/(decrease) in trade and other payables	707,735	(1,892,120)
Cash generated from/(absorbed by) operations	<u>52,419</u>	<u>(444,254)</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.