

THIRD ENERGY TRADING LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

| | |
|--------------------------|--|
| Directors | Mr Russell Hoare Mr Karl Farrow Mr Glynn Gary Williams |
| Company Number | 05721316 (England and Wales) |
| Registered Office | Keyword House Viking Road Great Yarmouth NR31 0NU England |
| Accountants | Azoth Solutions Ltd Jonathan Scott Hall Thorpe Road Norwich Norfolk NR1 1UH |

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

| | Notes | 2022 £ | 2021 £ |
|---|-------|------------------|--------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 83,544 | 112,740 |
| Tangible assets | 5 | 1,072,766 | 1,283,123 |
| Investments | 6 | 232,299 | 1,000 |
| | | <u>1,388,609</u> | <u>1,396,863</u> |
| Current assets | | | |
| Debtors | 7 | 428,624 | 1,356,871 |
| Cash at bank and in hand | | 3,327,192 | 38,419 |
| | | <u>3,755,816</u> | <u>1,395,290</u> |
| Creditors: amounts falling due within one year | 8 | (2,716,042) | (1,420,506) |
| Net current assets/(liabilities) | | <u>1,039,774</u> | <u>(25,216)</u> |
| Total assets less current liabilities | | 2,428,383 | 1,371,647 |
| Provisions for liabilities | | | |
| Other provisions | 9 | (2,820,348) | (3,547,362) |
| Net liabilities | | <u>(391,965)</u> | <u>(2,175,715)</u> |
| Capital and reserves | | | |
| Called up share capital | | 1 | 1 |
| Profit and loss account | | (391,966) | (2,175,716) |
| Shareholders' funds | | <u>(391,965)</u> | <u>(2,175,715)</u> |

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 8 September 2023 and were signed on its behalf by

Mr Russell Hoare
Director

Company Registration No. 05721316

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

1 Statutory information

Third Energy Trading Limited is a private company, limited by shares, registered in England and Wales, registration number 05721316. The registered office is Keyword House, Viking Road, Great Yarmouth, NR31 0NU, England.

2 Compliance with accounting standards

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

3 Accounting policies

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

Basis of preparation

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

Presentation currency

The accounts are presented in £ sterling.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Gas collecting equipment: 7-10 years Straight Line

Power plant: 3-15 years Straight Line

Decommissioning asset: 20 years Straight Line

Renewable Energy assets: 25 years Straight Line

Intangible fixed assets

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

Deferred taxation

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

Deferred tax assets and liabilities are not discounted.

Going concern

The financial statements have been prepared on the going concern basis.

The directors have a reasonable expectation that the company has adequate resources through this cash balance to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of approval of these financial statements. Based on the forecasts prepared the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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

4 Intangible fixed assets

| | Other £ |
|-----------------------|--------------------|
| Cost | |
| At 1 January 2022 | 112,740 |
| Additions | 26,556 |
| Disposals | (55,752) |
| At 31 December 2022 | 83,544 |
| Amortisation | |
| At 1 January 2022 | - |
| At 31 December 2022 | - |
| Net book value | |
| At 31 December 2022 | 83,544 |
| At 31 December 2021 | 112,740 |

5 Tangible fixed assets

| | Plant & machinery £ |
|--------------------------|--|
| Cost or valuation | At cost |
| At 1 January 2022 | 1,348,533 |
| Disposals | (169,239) |
| At 31 December 2022 | 1,179,294 |
| Depreciation | |
| At 1 January 2022 | 65,410 |
| Charge for the year | 41,118 |
| At 31 December 2022 | 106,528 |
| Net book value | |
| At 31 December 2022 | 1,072,766 |
| At 31 December 2021 | 1,283,123 |

Included within Tangible fixed assets are the following amounts:

Decommissioning asset at cost of £2,038,000 (2021 : £2,438,000) with a Net book value of £1,069,000 (2021 : £1,047,000).

Power Plant assets at cost of £2,169,000 (2021 : £6,078,000) with a Net book value of £3,000 (2021 : £43,000),

Gas Collection Equipment at cost of £4,902,000 (2021 : £4,092,000) with a Net book value of £nil (2021 : £nil).

Land at a cost of £nil (2021 : £193,000) with a Net book value of £nil (2021 : £193,000).

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

6 Investments

**Other
investments
£**

| | |
|-------------------------------|---------|
| Valuation at 1 January 2022 | 1,000 |
| Additions | 231,299 |
| Valuation at 31 December 2022 | 232,299 |

During the year the Company forgave an intercompany balance owed by a subsidiary undertaking by making a capital contribution; £232,000.

7 Debtors

**2022
£** **2021
£**

Amounts falling due within one year

| | | |
|--|---------|-----------|
| Trade debtors | 8,084 | - |
| Amounts due from group undertakings etc. | - | 1,330,747 |
| Accrued income and prepayments | 17,371 | 26,124 |
| Other debtors | 403,169 | - |
| | 428,624 | 1,356,871 |

8 Creditors: amounts falling due within one year

**2022
£** **2021
£**

| | | |
|--|-----------|-----------|
| VAT | - | (388) |
| Trade creditors | 1,939 | 22,294 |
| Amounts owed to group undertakings and other participating interests | 2,304,840 | 1,336,428 |
| Accruals | 409,263 | 62,172 |
| | 2,716,042 | 1,420,506 |

9 Provisions for liabilities

£

| | |
|---------------------------------|-----------|
| At 1 January 2022 | 3,547,362 |
| Increase in existing provisions | 272,000 |
| Other decrease in provisions | (999,014) |
| At 31 December 2022 | 2,820,348 |

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

10 Controlling party

The immediate parent is Wolfland Renewables Limited a company domiciled and registered in England. The ultimate parent company is Third Energy Onshore Limited as at the date of signing these statements.

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

11 Average number of employees

During the year the average number of employees was 0 (2021: 0).

