

Registered Number: SC494639

GAEL ENERGY LTD

INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE PERIOD ENDED 31 MARCH 2022



Gael Energy Ltd

Company Information

Directors	H Campbell J Campbell (appointed 4 June 2021) J MacDonald (appointed 4 June 2021) R MacGregor (appointed 4 June 2021) J Mackenzie (appointed 4 June 2021)
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Company secretary	J MacDonald
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Registered number	SC494639
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Registered office	Scotsburn Farm Scotsburn Invergordon Ross-Shire IV18 0PE
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GAEL ENERGY LTD

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2022**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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;
- 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.

GAEL ENERGY LTD

REGISTERED NUMBER:SC494639

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	31 March 2022 £	31 January 2021 £
Fixed assets			
Intangible assets	4	4,800	4,800
Tangible assets	5	226,436	129,889
		<u>231,236</u>	<u>134,689</u>
Current assets			
Stocks		298,059	101,627
Debtors	6	446,421	101,093
Cash at bank and in hand	7	214,829	66,984
		<u>959,309</u>	<u>269,704</u>
Creditors: amounts falling due within one year	8	(648,885)	(232,855)
Net current assets		<u>310,424</u>	<u>36,849</u>
Total assets less current liabilities		<u>541,660</u>	<u>171,538</u>
Creditors: amounts falling due after more than one year	9	(74,088)	(81,301)
Net assets		<u><u>467,572</u></u>	<u><u>90,237</u></u>
Capital and reserves			
Called up share capital		204	100
Share premium account		349,896	-
Profit and loss account		117,472	90,137
		<u><u>467,572</u></u>	<u><u>90,237</u></u>

GAEL ENERGY LTD

REGISTERED NUMBER: SC494639

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022**

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 period in question in accordance with section 476 of the Companies Act 2006.

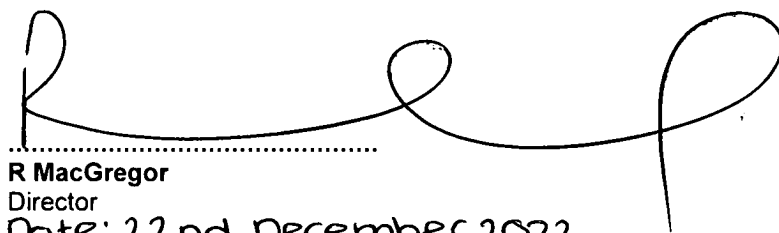
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

A large, stylized handwritten signature in black ink, appearing to read 'R MacGregor', is written over a dotted line.

R MacGregor
Director

Date: 22nd December 2022

The notes on pages 4 to 12 form part of these financial statements.

GAEL ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

1. General information

GAEL Energy Ltd is a private limited Company incorporated in Scotland. The registered office is Scotsburn Farm, Scotsburn, Invergordon, Ross-Shire, Scotland, IV18 0PE.

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 following principal accounting policies have been applied:

2.2 Going concern

The directors are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company contributes to 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.

2.9 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.10 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	10% on cost
Plant and machinery	-	20% on reducing balance
Motor vehicles	-	20% on cost
Fixtures and fittings	-	20% on reducing balance
Computer equipment	-	33% on cost

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.14 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.

2.15 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.

2.16 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.

2.17 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 period was 15 (2021 - 6).

Gael Energy Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

4. Intangible assets

	Goodwill £
Cost	
At 1 February 2021	12,000
At 31 March 2022	<u>12,000</u>
Amortisation	
At 1 February 2021	7,200
At 31 March 2022	<u>7,200</u>
Net book value	
At 31 March 2022	<u>4,800</u>
At 31 January 2021	<u>4,800</u>

GAEL ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 February 2021	6,768	99,220	91,064	7,940	1,868	206,860
Additions	-	25,868	158,567	-	5,579	190,014
Disposals	(6,768)	(422)	(33,301)	-	-	(40,491)
At 31 March 2022	-	124,666	216,330	7,940	7,447	356,383
Depreciation						
At 1 February 2021	2,030	42,108	29,376	2,224	1,233	76,971
Charge for the period on owned assets	790	15,801	4,445	1,334	1,470	23,840
Charge for the period on financed assets	-	-	35,485	-	-	35,485
Disposals	(2,820)	(267)	(3,262)	-	-	(6,349)
At 31 March 2022	-	57,642	66,044	3,558	2,703	129,947
Net book value						
At 31 March 2022	-	67,024	150,286	4,382	4,744	226,436
At 31 January 2021	4,738	57,112	61,688	5,716	635	129,889

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 March 2022 £	31 January 2021 £
Motor vehicles	171,854	51,188
	<u>171,854</u>	<u>51,188</u>

GAEL ENERGY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

6. Debtors

	31 March 2022 £	31 January 2021 £
Trade debtors	402,706	97,829
Other debtors	596	3,058
Prepayments and accrued income	27,774	-
Tax recoverable	157	-
Deferred taxation	15,188	206
	<u>446,421</u>	<u>101,093</u>

7. Cash at bank and in hand

	31 March 2022 £	31 January 2021 £
Cash at bank and in hand	214,829	66,984
Less: bank overdrafts	-	(39,843)
	<u>214,829</u>	<u>27,141</u>

8. Creditors: Amounts falling due within one year

	31 March 2022 £	31 January 2021 £
Bank overdrafts	-	39,843
Bank loans	-	11,250
Trade creditors	131,806	33,114
Amounts owed to group undertakings	65,000	-
Corporation tax	18,658	-
Other taxation and social security	110,230	76,060
Obligations under finance lease and hire purchase contracts	44,296	13,288
Other creditors	3,017	57,762
Accruals and deferred income	275,878	1,538
	<u>648,885</u>	<u>232,855</u>

Gael Energy Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

9. Creditors: Amounts falling due after more than one year

	31 March 2022 £	31 January 2021 £
Bank loans	-	38,750
Net obligations under finance leases and hire purchase contracts	74,088	42,551
	<u>74,088</u>	<u>81,301</u>

10. Loans

Analysis of the maturity of loans is given below:

	31 March 2022 £	31 January 2021 £
Amounts falling due within one year		
Bank loans	-	11,250
Amounts falling due 1-2 years		
Bank loans	-	38,750
	<u>-</u>	<u>50,000</u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 March 2022 £	31 January 2021 £
Within one year	44,295	13,287
Between 1-5 years	74,089	42,551
	<u>118,384</u>	<u>55,838</u>

GAEL ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

12. Financial instruments

	31 March 2022 £	31 January 2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	214,829	66,984

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

13. Pension commitments

The company contributes to a defined contribution 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 £7,807 in the year (2021 - £2,677). Contributions totalling £3,017 (2021 - £342) were payable to the fund at the reporting date.

14. Controlling party

The ultimate parent undertaking is GEG Capital Investments Limited. A company incorporated in Scotland and controlled by R J MacGregor.

The smallest group for which consolidated financial statements are prepared which include GAEL Energy Ltd is that of GEG Capital Limited. The largest group for which consolidated financial statements are prepared is that of GEG Capital Investments Limited.

The company is included in the ultimate parent's group financial statements for the year ended 31 March 2022, copies of which are available from its registered office at 13 Henderson Road, Inverness, IV1 1SN.