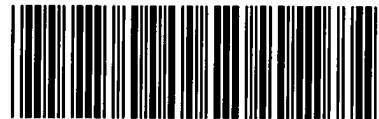


Northern Energy Gas Limited
Company Registration Number 06894408
Annual Report and Unaudited Accounts
Year ended 31 August 2023

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Northern Energy Gas Limited
Annual Report and Unaudited Accounts
Company Registration Number 06894408
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible fixed assets	4	1,782,957	2,003,390
Tangible fixed assets	5	4,326,976	4,245,084
Investments	6	-	100
		<u>6,109,933</u>	<u>6,248,574</u>
Current assets			
Stocks		74,582	90,499
Debtors	7	2,916,107	1,393,966
Cash at bank and in hand		<u>255,774</u>	<u>173,178</u>
		<u>3,246,463</u>	<u>1,657,643</u>
Creditors: Amounts falling due within one year	8	<u>(2,274,370)</u>	<u>(2,331,389)</u>
Net current assets/(liabilities)		<u>972,093</u>	<u>(673,746)</u>
Total assets less current liabilities		<u>7,082,026</u>	<u>5,574,828</u>
Creditors: Amounts falling due after more than one year	8	(417,479)	(709,607)
Provisions for liabilities		<u>(1,030,000)</u>	<u>(953,000)</u>
Net assets		<u><u>5,634,547</u></u>	<u><u>3,912,221</u></u>
Capital and reserves			
Called up share capital	9	10,000	10,000
Profit and loss account		<u>5,624,547</u>	<u>3,902,221</u>
		<u><u>5,634,547</u></u>	<u><u>3,912,221</u></u>

For the year ended 31 August 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- 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 and reports have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These accounts were approved and authorised for issue by the Board on 17/1/24 and signed on its behalf by:



James Illingworth
Signed on 17/01/24 @ 15:51

J Illingworth

Director

The notes on pages 2 to 7 form an integral part of these unaudited accounts.

1 General information

Northern Energy Gas Limited is a private company limited by shares and incorporated in England and Wales under company number 06894408.

The address of its registered office and principal place of business is:

Energy House
Hampsthwaite
Harrogate
HG3 2HT

2 Summary of significant accounting policies

Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 (2022) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The accounts have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the accounts have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 399 of the Companies Act 2006 and has not prepared group accounts..

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover represents revenue earned from the sale of goods.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and removal of ownership have been transferred to them.

Pension contributions

The Company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of depreciation are as follows:-

Asset class	Amortisation method and rate
Goodwill	Straight line basis over 10 years

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Rental tanks	Straight line basis over 20 years
Improvements to leasehold property	Straight line basis over 10 years
Plant and equipment	Straight line basis over 5 to 10 years
Motor vehicles	Straight line basis over 3 to 15 years

Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account. The reversal of an impairment loss is recognised immediately in the profit and loss account.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and an appropriate proportion of overhead expenses.

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 subsequently measured at amortised cost using the effective interest method, less any impairment.

Creditors

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

3 Employees

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

	2023 No.	2022 No.
Employees	<u>45</u>	<u>41</u>

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 September 2022	<u>2,478,989</u>	<u>2,478,989</u>
At 31 August 2023	<u>2,478,989</u>	<u>2,478,989</u>
Amortisation		
At 1 September 2022	475,599	475,599
Charge for the year	<u>220,433</u>	<u>220,433</u>
At 31 August 2023	<u>696,032</u>	<u>696,032</u>
Net book value		
At 31 August 2022	<u>2,003,390</u>	<u>2,003,390</u>
At 31 August 2023	<u>1,782,957</u>	<u>1,782,957</u>

5 Tangible fixed assets

	Improvements to leasehold property £	Rental tanks £	Plant and equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2022	73,215	2,103,795	273,343	2,892,402	5,342,755
Additions	-	226,246	56,704	645,593	928,543
Disposals	-	(230,072)	-	(39,921)	(269,993)
At 31 August 2023	<u>73,215</u>	<u>2,099,969</u>	<u>330,047</u>	<u>3,498,074</u>	<u>6,001,305</u>
Depreciation					
At 1 September 2022	8,135	724,013	66,774	298,749	1,097,671
Charge for the year	<u>8,135</u>	<u>134,974</u>	<u>66,240</u>	<u>367,309</u>	<u>576,658</u>
At 31 August 2023	<u>16,270</u>	<u>858,987</u>	<u>133,014</u>	<u>666,058</u>	<u>1,674,329</u>
Net book value					
At 31 August 2022	<u>65,080</u>	<u>1,379,782</u>	<u>206,569</u>	<u>2,593,653</u>	<u>4,245,084</u>
At 31 August 2023	<u>56,945</u>	<u>1,240,982</u>	<u>197,033</u>	<u>2,832,016</u>	<u>4,326,976</u>

6 Fixed asset investments

	2023 £	2022 £
Investments in subsidiaries	-	100
Subsidiary undertaking		£
Cost or valuation		
At 1 September 2022		100
Disposals		(100)
At 31 August 2023		-
Carrying amount		
At 31 August 2023		-
At 31 August 2022		100
Details of undertaking		

In the opinion of the directors, the aggregate value of the company's investment in the subsidiary undertaking is no less than the amount included in the balance sheet.

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

	Description of holding	Proportion of holding	Principal activity
Subsidiary undertaking			
Northern LPG Supplies Limited	Ordinary shares	100%	Non trading

7 Debtors

	2023 £	2022 £
Trade debtors	340,957	416,947
Other debtors	1,440,908	731,143
Prepayments	1,134,242	245,876
	<u>2,916,107</u>	<u>1,393,966</u>

8 Creditors:
Amounts falling due within one year

	2023 £	2022 £
Bank overdraft	1,045	-
Finance lease liabilities	345,275	385,860
Trade creditors	989,167	846,782
Social security and other taxes	97,367	29,881
Amounts owed to group undertakings	-	100
Other creditors	-	617,000
Corporation tax	549,236	88,648
Accruals	292,280	363,118
	<u>2,274,370</u>	<u>2,331,389</u>
Amounts falling due after more than one year		
Finance lease liabilities	<u>417,479</u>	<u>709,607</u>

The finance lease liabilities are secured on the assets to which they relate.

9 Share capital

	2023		2022	
	No.	£	No.	£
A Ordinary shares of £1 each	-	-	2,000	2,000
B Ordinary shares of £1 each	-	-	2,000	2,000
C Ordinary shares of £1 each	-	-	2,000	2,000
D Ordinary shares of £1 each	-	-	2,000	2,000
E Ordinary shares of £1 each	-	-	2,000	2,000
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

On 17 October 2022 the share capital was re designated from 2,000 A,B,C,D & E shares of £1 each to 10,000 ordinary shares of £1 each.

10 Financial commitments

The total financial commitments which are not included in the balance sheet amount to £1,010,290 (2022: £1,010,290).

11 Contingent liabilities

Northern Energy Oil Limited, a company under common control, has loans from its bankers which have been guaranteed by Northern Energy Gas Limited and secured on the company's assets. The amount guaranteed is £1,755,208 (2022:£nil).