

Company registration number 12966109 (England and Wales)

**CNG FORESIGHT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# CNG FORESIGHT LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr P E Fjeld Mr B J Gowrie-Smith Mr Shaun Kingsbury Mr M Ma Mr C J Tanner Ms S Trivellato
<b>Secretary</b>	CNG Fuels Ltd
<b>Company number</b>	12966109
<b>Registered office</b>	250 Wharfedale Road Winnersh Triangle Wokingham Berkshire RG41 5TP
<b>Auditor</b>	Deloitte LLP, Statutory Auditor 2 New Street Square London EC4A 3BZ

---

# CNG FORESIGHT LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report	4 - 7
Group statement of comprehensive income	8
Group statement of financial position	9
Group statement of changes in equity	10
Group statement of cash flows	11
Notes to the group financial statements	12 - 37
Parent company statement of financial position	38
Parent company statement of changes in equity	39
Parent company statement of cash flows	40
Notes to the parent company financial statements	41 - 46

---

# CNG FORESIGHT 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 activity of the group continued to be that of the construction, development and operation of compressed natural gas fuelling stations in the UK.

#### **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 8.

No ordinary dividends were paid. The directors do not recommend 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 P E Fjeld  
Mr B J Gowrie-Smith  
Mr Shaun Kingsbury  
Mr M Ma  
Mr C J Tanner  
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 Group's risk management objectives and policies can be seen in the notes 16, 20 and 27 to the financial statements.

#### **Post reporting date events**

After the reporting date, but prior to the date of signing this report, the following events occurred:

- The Group acquired 2 new subsidiaries, CNG Corby Limited and CNG Newton Aycliffe Limited, for consideration of £600,000 and £300,000 respectively from CNG Fuels Ltd.
- The CNG Knowsley site passed all final tests to begin operations and the provision recognised in the financial statements became payable. Group became payable, at the amount stated within these financial statements. More detail on these post balance sheet date events is given in the notes to the financial statements (note 28).

#### **Auditor**

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

# CNG FORESIGHT LIMITED

## DIRECTORS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 MARCH 2022*

---

#### **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.

#### **Going concern**

The directors have at the time of approving the financial statements, a reasonable expectation that the group 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.

The net liability position at 31 March 2022 of £5,212,731 (2021: £1,321,825), with the movement in the Group's financial position being principally attributable to the servicing of long term parent Company loan note debt. Interest of £3,422,387 (2021: £722,676) was incurred on the loan notes, which are not due to mature until December 2030. Net current assets of £1,117,260 (2021: £1,649,770 net current liabilities) were held at the reporting date, representing a significant improvement of the short term working capital position of the Group, strengthened largely by a significant increase in cash held. Further financial support is available to the Group from its parent CNG Foresight Holding Limited, should the need for support arise.

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 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 Group's ability to 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 Group has taken advantage of exemptions available to UK small companies and groups under the Companies Act 2006, to not deliver a strategic report or certain disclosures 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

# **CNG FORESIGHT 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 Group and of the profit or loss of the Group 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 of the financial reporting 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.

# **CNG FORESIGHT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CNG FORESIGHT LIMITED**

---

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion:

- the financial statements of CNG Foresight Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2022 and of the group's loss for the period then ended;
- the group financial statements 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);
- the parent company financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group statement of comprehensive income;
- the group statement of financial position;
- the group statements of changes in equity;
- the group statement of cash flows;
- the statement of accounting policies; and
- the related notes 1 to 4.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

#### **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 group and the parent 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 group's and parent 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.

# **CNG FORESIGHT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CNG FORESIGHT LIMITED**

---

### **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.

### **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 group's and the parent 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 group or the parent 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



# CNG FORESIGHT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CNG FORESIGHT LIMITED

---

### **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 group's industry and its control environment, and reviewed the group'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 group 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 group'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

### **Report on other legal and regulatory requirements**

- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC

### **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 period 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 group and of the parent company and their 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:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

# **CNG FORESIGHT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CNG FORESIGHT LIMITED**

---

### **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 on behalf of Deloitte LLP**  
**Statutory Auditor**  
London, United Kingdom

19 December 2022

# CNG FORESIGHT LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

		Year ended 31 March 2022	Period 21 October 2020 to 31 March 2021 as restated
	Notes	£	£
Revenue	4	22,633,365	3,098,231
Cost of sales		(20,272,203)	(2,605,471)
<b>Gross profit</b>		2,361,162	492,760
Other operating income		500	-
Administrative expenses		(3,276,897)	(937,650)
<b>Operating loss</b>	5	(915,235)	(444,890)
Investment revenues	8	19	6
Finance costs	9	(3,805,935)	(850,136)
Other gains and losses	10	813,000	-
<b>Loss before taxation</b>		(3,908,151)	(1,295,020)
<b>Income tax (income)/expense</b>	11	17,245	(26,807)
<b>Loss and total comprehensive expense for the year</b>		(3,890,906)	(1,321,827)

The loss for the financial year is all attributable to the owners of the parent company.

The total comprehensive loss for the year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

The comparative income statement includes an adjustment to revenue and cost of sales in respect of one of the group subsidiaries, arising due to a reclassification of the accounting treatment for fuel duty revenue and expense. Please refer to note 31 to the financial statements for more details.

# CNG FORESIGHT LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION

**AS AT 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Non-current assets</b>			
Property, plant and equipment	12	45,687,116	31,825,611
Right-of-use assets	12	1,242,336	1,302,092
		<u>46,929,452</u>	<u>33,127,703</u>
<b>Current assets</b>			
Inventories	14	447,232	98,505
Trade and other receivables	15	8,629,871	2,634,074
Cash and cash equivalents		3,318,794	914,196
		<u>12,395,897</u>	<u>3,646,775</u>
<b>Current liabilities</b>			
Trade and other payables	19	10,434,432	4,912,625
Borrowings	18	791,945	341,518
Lease liabilities	21	52,260	42,402
		<u>11,278,637</u>	<u>5,296,545</u>
<b>Net current assets/(liabilities)</b>		<u>1,117,260</u>	<u>(1,649,770)</u>
<b>Non-current liabilities</b>			
Borrowings	18	51,410,641	30,965,051
Lease liabilities	21	1,320,127	1,344,171
Deferred tax liabilities	22	173,767	191,012
Long term provisions	23	354,908	299,524
		<u>53,259,443</u>	<u>32,799,758</u>
<b>Net liabilities</b>		<u>(5,212,731)</u>	<u>(1,321,825)</u>
<b>Equity</b>			
Called up share capital	24	2	2
Retained earnings		<u>(5,212,733)</u>	<u>(1,321,827)</u>
<b>Total equity</b>		<u>(5,212,731)</u>	<u>(1,321,825)</u>

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 12966109 (England and Wales)

# CNG FORESIGHT LIMITED

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

	Notes	Share capital £	Retained earnings £	Total £
<b>Balance at 21 October 2020</b>		-	-	-
<b>Period ended 31 March 2021:</b>				
Loss and total comprehensive expense for the period		-	(1,321,827)	(1,321,827)
Issue of share capital	<b>24</b>	2	-	2
<b>Balance at 31 March 2021</b>		2	(1,321,827)	(1,321,825)
<b>Year ended 31 March 2022:</b>				
Loss and total comprehensive expense for the year		-	(3,890,906)	(3,890,906)
<b>Balance at 31 March 2022</b>		2	(5,212,733)	(5,212,731)

# CNG FORESIGHT LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	32	1,439,972		893,833	
<b>Net cash inflow from operating activities</b>		1,439,972		893,833	
<b>Investing activities</b>					
Purchase of property, plant and equipment		(628,123)		-	
Purchase of subsidiaries cash acquired		-	1,169,222		
Loans made to other entities		(11,105,037)		-	
Interest received		19		6	
<b>Net cash (used in)/generated from investing activities</b>		(11,733,141)		1,169,228	
<b>Financing activities</b>					
Proceeds from borrowings		14,257,581		-	
Repayment of borrowings		(1,401,024)	(262,336)		
Payment of lease liabilities		(15,426)	(37,205)		
Interest paid		(143,364)	(849,324)		
<b>Net cash generated from/(used in) financing activities</b>		12,697,767		(1,148,865)	
<b>Net increase in cash and cash equivalents</b>		2,404,598		914,196	
Cash and cash equivalents at beginning of year		914,196		-	
Cash and cash equivalents at end of year		3,318,794		914,196	

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

#### Company information

CNG Foresight Limited is a private company limited by shares incorporated 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.

The Group consists of CNG Foresight Limited and all of its subsidiaries.

#### Reporting period

The comparative accounting period of the Group was its first since incorporation and presented the period 21 October 2020 to 31 March 2021. The current accounting period presented in the financial statements (including the related notes) are for a period of twelve months. As such, the two periods are not entirely comparable.

#### 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 all the entities in the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, except for the fair value revaluation of property, plant and equipment uplifted upon acquisition and certain financial instruments. The principal accounting policies adopted are set out below.

#### 1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

#### 1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company CNG Foresight Limited together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.4 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the group 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.

The net liability position at 31 March 2022 of £5,212,731 (2021: £1,321,825), with the movement in the Group's financial position being principally attributable to the servicing of long term parent Company loan note debt. Interest of £3,422,387 (2021: £722,676) was incurred on the loan notes, which are not due to mature until December 2030. Net current assets of £1,117,260 (2021: £1,649,770 net current liabilities) were held at the reporting date, representing a significant improvement of the short term working capital position of the Group, strengthened largely by a significant increase in cash held. Further financial support is available to the Group from its parent CNG Foresight Holding Limited, should the need for support arise.

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 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 Group's ability to 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.

#### 1.5 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 group recognises revenue when it transfers control of a product or satisfies the performance obligations of services delivered 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 group recognises revenue from the following major sources:

- Sales of Natural gas

The nature, timing of satisfaction of performance obligations and significant payment terms of the group'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.



# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.6 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
Leasehold land	20 years straight line on cost
Plant and equipment	5 and 20 years straight line on cost

Assets in the course of construction are not depreciated.

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.

#### 1.7 Non-current investments

In the separate financial statements of the parent Company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for indicators of impairment at each reporting date. If indicators exist, then an impairment review is undertaken and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the parent company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 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.

#### 1.9 Impairment of property, plant and equipment

At each reporting end date, the group 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 group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP 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.

#### 1.10 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.11 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.

#### 1.12 Financial assets

Financial assets are recognised in the group's statement of financial position when the group 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.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### **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.

#### **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 Group 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 Group subsidiaries' historical credit losses experienced over the three year period to the period end. Other factors such as the wider economic environment which the Group 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.

### **1.13 Financial liabilities**

The group recognises financial debt when the group 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'.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that managed together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

#### **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 group's obligations are discharged, cancelled, or they expire.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.14 Equity instruments

Equity instruments issued by the parent 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 payable at the discretion of the company.

#### 1.15 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *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 group 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.

#### 1.16 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event and it is probable that the group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### 1.17 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the group's estimate of the amount expected to be payable under a residual value guarantee; or the group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

#### 1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 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 Group. 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):

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 2 Adoption of new and revised standards and changes in accounting policies (Continued)

- 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 Group.

### 3 Critical accounting estimates and judgements

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 judgements 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 key sources of estimation uncertainty 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 life 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 full year, at 20 years UEL, is £1,841,000. 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 £614,000 per year
- 10 years UEL (-10 years), would result in an increase of £1,841,000 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 £368,000 per year
- 30 years UEL (+10 years), would result in a decrease of £614,000 per year

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

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Revenue

	2022	2021
	£	as restated £
<b>Revenue analysed by class of business</b>		
Sales of Natural Gas	22,633,365	3,098,231

	2022	2021
	£	as restated £
<b>Revenue analysed by geographical market</b>		
United Kingdom	22,633,365	3,098,231

### 5 Operating loss

	2022	2021
	£	as restated £
Operating loss for the year is stated after charging/(crediting):		
Fees payable to the Group's auditor for the audit of the Group's financial statements	142,500	60,678
Non-audit remuneration paid to subsidiary auditors	28,500	-
Depreciation of property, plant and equipment	1,388,012	392,842
Depreciation of right-of-use assets	76,762	25,419
Cost of inventories recognised as an expense	20,272,203	2,605,471

### 6 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	25,000	20,000
Audit of the financial statements of the company's subsidiaries	117,500	40,678
	142,500	60,678

No fees were paid to the Group's auditor with respect to non-audit remuneration.

### 7 Employees

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

	2022	2021
	Number	Number
Total	-	-

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 7 Employees

(Continued)

The Group had no employees other than its directors in the year to 31 March 2022 and in comparative period.

The directors received no remuneration for their services to the Group and no pension contributions were paid on behalf of the directors during the year and in comparative period.

### 8 Investment income

	2022 £	2021 £
<b>Interest income</b>		
Financial instruments measured at amortised cost:		
Bank deposits	19	6

### 9 Finance costs

	2022 £	2021 £
Interest on bank overdrafts and loans	283,712	98,788
Interest on lease liabilities	83,023	27,860
Interest on loan notes due to parent undertaking	3,422,387	722,676
Other interest payable	13,334	-
Total interest expense	3,802,456	849,324
Unwinding of discount on provisions	3,479	812
	3,805,935	850,136

### 10 Other gains and losses

	2022 £	2021 £
Change in the value of financial liabilities held at fair value through profit or loss	813,000	-

Changes in the value of financial liabilities held at fair value through profit or loss in the year relate to a reduction in contingent consideration payable by the Group, for the acquisition of CNG Station Holdings Limited in the prior year. The trigger for the reduction in consideration was an overrun in costs relating to the development of an asset in the acquired subsidiary's interests, which arose during the year.



# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 11 Income tax expense

	2022 £	2021 £
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(17,245)	26,807
The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:		
	2022 £	2021 £
Loss before taxation	(3,908,151)	(1,295,020)
Expected tax credit based on a corporation tax rate of 19.00% (2021: 19.00%)	(742,549)	(246,054)
Effect of expenses not deductible in determining taxable profit	134,360	64,874
Change in unrecognised deferred tax assets	355,703	130,999
Group relief	-	23,332
Depreciation on assets not qualifying for tax allowances	191,264	66,974
Utilisation of pre trading expenditure brought forward	-	(8,705)
Effect of super deduction enhanced capital allowances	(321)	-
Other deductions permitted	(14,206)	(4,613)
Effect of future increase in corporation tax rate used to calculate unrecognised deferred tax assets	(86,546)	-
Effect of elimination of unrealised group profit at consolidation	145,050	-
<b>Taxation charge for the period</b>	<b>(17,245)</b>	<b>26,807</b>

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 on the Group will be an increase in current tax charges for any profits taxed at the main rate.

The Group has tax adjusted losses carried forward of £9,476,058 (2021: £7,190,186) and temporary differences relating to accelerated capital allowances of £4,219,107 (2021: £4,079,320), for which a deferred tax asset of £871,097 (2021: £515,393) 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 Group'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.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Property, plant and equipment

	Freehold land	Leasehold land	Assets under construction	Plant and equipment	Total
	£	£	£	£	£
<b>Cost</b>					
Additions	553,890	-	2,208,100	189,094	2,951,084
Business combinations	564,900	1,327,511	2,472,237	26,230,232	30,594,880
At 31 March 2021	1,118,790	1,327,511	4,680,337	26,419,326	33,545,964
Additions	1,455,790	17,006	12,555,248	1,272,461	15,300,505
Change in decommissioning provision	-	-	-	(33,982)	(33,982)
Transfer to plant and equipment	-	-	(9,162,777)	9,162,777	-
At 31 March 2022	2,574,580	1,344,517	8,072,808	36,820,582	48,812,487
<b>Accumulated depreciation and impairment</b>					
Charge for the period	-	25,419	-	392,842	418,261
At 31 March 2021	-	25,419	-	392,842	418,261
Charge for the year	-	76,762	-	1,388,012	1,464,774
At 31 March 2022	-	102,181	-	1,780,854	1,883,035
<b>Carrying amount</b>					
At 31 March 2022	2,574,580	1,242,336	8,072,808	35,039,728	46,929,452
At 31 March 2021	1,118,790	1,302,092	4,680,337	26,026,484	33,127,703

GCP Asset Back Income (UK) Limited holds fixed and floating charges over all the property or undertaking of subsidiaries CNG Leyland Limited and CNG Knowsley Limited, including assets held as property, plant and equipment disclosed above, as security against loans provided to CNG Station Holdings Limited. The charges contain a negative pledge restricting the Chargor from, except with prior written consent of the Security Agent, creating or permitting to subsist any security on, or in relation to, any charged asset other than any security created by this charge.

Property, plant and equipment includes right-of-use assets, as follows:

<b>Right-of-use assets</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net values</b>		
Leasehold land	1,242,336	1,302,092
Additions	-	1,327,511
Remeasurement of existing right-of-use assets	17,006	-
<b>Depreciation charge for the year</b>		
Leasehold land	76,762	25,419

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 13 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held	
				Direct	Indirect
Lavant Down Northampton Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
Hams Warrington Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
Oxford Erdington Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
CNG Eurocentral Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
CNG Station Holdings Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
CNG Knowsley Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Development of compressed natural gas refuelling station	Ordinary	0	100.00
CNG Leyland Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	0	100.00
CNG Avonmouth North Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Operation of compressed natural gas refuelling station	Ordinary	100.00	-
CNG Castleford Limited	250 Wharfedale Road, Winnersh, Wokingham, United Kingdom, RG41 5TP	Development of compressed natural gas refuelling station	Ordinary	100.00	-

### 14 Inventories

	2022 £	2021 £
Spare repair parts	447,232	98,505

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 15 Trade and other receivables

	2022 £	2021 £
Trade receivables	2,060,599	1,399,990
Provision for bad and doubtful debts	(2,043)	(2,043)
	<u>2,058,556</u>	<u>1,397,947</u>
Contract assets (note 17)	4,951,659	306,548
VAT recoverable	1,146,807	503,252
Amounts owed by related parties	94,761	157,692
Other receivables	336,005	49,502
Prepayments	42,083	219,133
	<u>8,629,871</u>	<u>2,634,074</u>

Included within trade receivables are amounts owed from related parties of £1,914,850 (2021: £1,362,873), conducted under standard payment terms.

Included within trade receivables are £2,043 of debts which have been fully provided against (2021: £2,043). Trade receivables outstanding at the reporting date, for which no provision for bad and doubtful debts has been made, can be analysed with respect to balances past due as follows:

- Current within terms: £1,937,087 (2021: £1,113,970)
- Within 1 month past due: £88,512 (2021: £171,899)
- 1-3 months past due: £35,000 (2021: £114,121)

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

In the prior year financial statements, contract asset balances were disclosed within this note as prepayments. A comparative balance of £306,548 has been reclassified and presented as contract assets, to better align with the disclosure requirements of IFRS 15 Revenue from Contracts with Customers.

### 16 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.

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 £2,043 (2021: £2,043). Write-offs, reversals and new provisions were £nil during the year (2021: £nil), with the allowance for doubtful debts arising in the prior period being an existing provision arising upon business combination.

The expected credit loss rate applied to trade receivables is based on the Group's subsidiaries' historical credit losses experienced over the the three year period to 31 March 2022, which are nil in the case of most subsidiaries, or historically very low in one instance. 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 Group's primary trade receivable, CNG Fuels Ltd, in their assessment of the credit risk of this customer, and judge it to be remote.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 16 Trade receivables - credit risk (Continued)

Movement in the allowances for doubtful debts	2022 £	2021 £
Balance as at 1 April 2021	2,043	-
Existing provisions recognised in group upon acquisition of subsidiaries	-	2,043
Balance at 31 March 2022	2,043	2,043

### 17 Contracts with customers

	2022 Period end £	2021 Period end £	2021 Period start £
<b>Contracts in progress</b>			
Contract assets	4,951,659	306,548	-

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.

The significant increase in contract asset balances from the comparative reporting date is due to significantly increased sales volumes in the current year.

Contract asset balances are typically invoiced to the contract customer within one month of the reporting date.

### 18 Borrowings

	Current		Non-current	
	2022 £	2021 £	2022 £	2021 £
<b>Borrowings held at amortised cost:</b>				
Gravis loans	723,609	341,518	2,877,790	3,433,930
Lombard loans	68,336	-	435,383	-
Loans from parent undertaking	-	-	48,097,468	27,531,121
	791,945	341,518	51,410,641	30,965,051

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 18 Borrowings

(Continued)

The Gravis loans are secured debts, totalling £3,601,399 (2021: £3,775,448).

These debts are term loan facilities which are secured by way of fixed and floating charges, held by GCP Asset Backed Income (UK) Limited, against all the undertaking, property and other assets of the company and the assets of its subsidiaries CNG Leyland Limited and CNG Knowsley Limited. The charges contain a negative pledge restricting the Chargor from, except with prior written consent of the Security Agent, creating or permitting to subsist any security on, or in relation to, any charged asset other than any security created by this charge.

Interest is charged at 7.5% per annum on each interest payment date on outstanding loans. Repayments are due on the basis of a percentage of the outstanding principal on the relevant repayment dates. Final maturity of the facility will arise in January 2025.

Loans from parent undertaking consist of loan notes issued by CNG Foresight Holding Limited to the Group. These loan notes are unsecured, carry interest of 9% per annum which compounds monthly and matures December 2030.

Lombard loans represent a financing liability provided to the Group under a sale and leaseback arrangement against the parent Company's plant and equipment. The sale of the related assets were not deemed to meet the criteria for transfer of control, and as such the relates assets remained recognised within property, plant and equipment and a financing liability has been recognised for the proceeds received. The financing liabilities arising have been recognised under IFRS 9 Financial Instruments, and are measured at amortised cost, applying the effective interest method. The terms of the financing arrangement are repayments made evenly over 60 months from commencement of the arrangement.

### 19 Trade and other payables

	2022 £	2021 £
Trade payables	1,657,031	1,052,538
Amounts owed to related parties	1,195,054	408,517
Accruals	6,882,960	1,651,377
Deferred consideration owed to related parties	437,000	1,500,000
Social security and other taxation	260,720	300,193
Other payables	1,667	-
	<u>10,434,432</u>	<u>4,912,625</u>

Included within trade payables are amounts owed to related parties of £1,618,350 (2021: £990,203) conducted under the suppliers' standard payment terms.

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

Deferred consideration owed to related parties consist of £437,000 (2021: £1,250,000) owed to CNG Fuels Ltd as part of the acquisition of CNG Station Holdings Limited on 4 December 2020. Please refer to 27 of the notes to the financial statements, relating to events after the reporting date for more information on this deferred consideration.

Deferred consideration payable of £250,000 at the comparative reporting date was settled during the year.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 20 Liquidity risk

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

	Less than 1 month £	1 - 3 months £	3 months to 1 year £	1 - 5 years £	5+ years £	Total £
<b>At 31 March 2021</b>						
Trade and other payables	2,531,055	-	-	-	-	2,531,055
Borrowings	-	96,990	360,770	3,317,688	27,531,121	31,306,569
	<u>2,531,055</u>	<u>96,990</u>	<u>360,770</u>	<u>3,317,688</u>	<u>27,531,121</u>	<u>33,837,624</u>
<b>At 31 March 2022</b>						
Trade and other payables	3,438,609	52,487	742,052	-	-	4,233,148
Borrowings	13,507	143,502	728,680	3,219,428	48,097,468	52,202,585
	<u>3,452,116</u>	<u>195,989</u>	<u>1,470,732</u>	<u>3,219,428</u>	<u>48,097,468</u>	<u>56,435,733</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.

### 21 Lease liabilities

	2022 £	2021 £
<b>Maturity analysis</b>		
Within one year	133,214	113,283
In two to five years	532,856	526,480
In over five years	1,489,193	1,602,550
<b>Total undiscounted liabilities</b>	<u>2,155,263</u>	<u>2,242,313</u>
Less future finance charges and effect of discounting	(782,876)	(855,740)
<b>Lease liabilities in the financial statements</b>	<u>1,372,387</u>	<u>1,386,573</u>

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 21 Lease liabilities

(Continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022 £	2021 £
Current liabilities	52,260	42,402
Non-current liabilities	1,320,127	1,344,171
	<u>1,372,387</u>	<u>1,386,573</u>
	2022 £	2021 £
Amounts recognised in profit or loss include the following:		
Interest on lease liabilities	<u>83,023</u>	<u>27,860</u>

Contingent rents recognised as an expense in the year amount to £7,781 (2021: £1,471).

The Group applies IFRS 16 Leases as the standard to which it recognises and accounts for its leasing arrangements. Leases of land under long term rental agreements are recognised as right-of-use assets, depreciated over the term of the lease and corresponding lease liabilities recognised for the present value of future payments due under the lease.

Subsidiaries of the Group recognise right-of-use assets for the leasehold land upon which the assets of those subsidiaries are situated. Subsidiaries party to 10 year leases for land, include an optional extension of 10 years beyond the current lease terms, within the measurement of their respective lease liabilities, due to the anticipated useful economic life of the Group's assets typically being 20 years. Leases held by subsidiaries which have a 20 year initial lease term also include options to extend, but these options are not included in the measurement of such leases.

Information on depreciation charges against right-of-use lease assets can be seen in note 12 and a reconciliation of the movements on lease liabilities can be seen in note 32 to the financial statements.



# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and movements thereon during the current and prior reporting period.

	ACAs £	Tax losses £	Provisions £	Total £
Deferred tax balance at 1 April 2020	-	-	-	-
<b>Deferred tax movements in prior year</b>				
Charge/(credit) to profit or loss	6,155	(33,301)	339	(26,807)
Acquired in business combination	(218,700)	33,301	21,194	(164,205)
Deferred tax liability at 1 April 2021	(212,545)	-	21,533	(191,012)
<b>Deferred tax movements in current period</b>				
Charge/(credit) to profit or loss	17,537	-	(292)	17,245
Deferred tax liability at 31 March 2022	(195,008)	-	21,241	(173,767)

Deferred tax assets on provisions relate to timing differences provided for on the carrying value of provisions relating to decommissioning liabilities, of which more detail can be seen in note 23.

### 23 Provisions for liabilities

	2022 £	2021 £
Decommissioning provisions	354,908	299,524

All provisions are expected to be settled after more than 12 months from the reporting date.

#### Movements on provisions:

	Decommissioning provisions
At 1 April 2021	299,524
Additional provisions in the year	85,887
Unwinding of discount	3,479
Adjustment for change in discount rate	(33,982)
At 31 March 2022	354,908

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 23 Provisions for liabilities

(Continued)

Decommissioning provisions relate to obligations arising from terms included in the leases of the land upon which a number of the Group's assets are situated. The Group has an obligation to remove equipment and restore the sites to their original condition when the leases commenced. The provisions recognised reflects the present value of the expected future cash flows to carry out such work. Economic outflows relating to these provisions are expected to arise no earlier than the end of the estimated useful economic life of the Group's assets, forecast to be between March 2037 and November 2040. A degree of uncertainty exists as to the timing of such outflows, due to the anticipated renewal of land leases beyond current and optional renewal terms.

Due to the various timings of the expected outflows to which the provisions relate to within the Group, the present value of the provision has been calculated by inflating forecast costs at 2% per annum, being the UK's long term inflation rate target. The inflated future outflows have then been discounted back to present value using appropriate discount rates between 1.8% to 1.9% (2021: 0.8% to 1.6%), derived from the rates applicable to borrowing instruments available over comparable time periods between the reporting date and the date of the expected future cash outflow.

### 24 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b><i>Authorised, issued and fully paid</i></b>				
A Ordinary of £1 each	1	1	1	1
B Ordinary of £1 each	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

At the reporting date, the Company had 2 classes of Ordinary share capital in issue with the following prescribed particulars;

A Ordinary shares: a right to receive notice of, to attend, speak and vote at all general meetings of the company. The shares carry the right to receive a dividend and capital distribution upon liquidation. The A shares are subject to the enhanced rights set out in Article 18 and 19 of the company's Articles of Association lodged at the registrar dated 4 December 2020.

B Ordinary shares: a right to receive notice of, to attend, speak and vote at all general meetings of the company. The shares carry the right to receive a dividend and capital distribution upon liquidation.

There were no movements in share capital during the year.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 25 Acquisitions of subsidiaries

On 16 April 2021 the Group acquired 100% percent of the issued capital of CNG Avonmouth North Limited. Total cash consideration of £300,000 was transferred to the seller, CNG Fuels Ltd, for the acquisition. The Group incurred loan note borrowings payable to its parent, CNG Foresight Holding Limited, to fulfil the purchase, and no cash outflow arose from the Group itself.

	Book Value	Adjustments	Fair Value
	£	£	£
<b>Net assets of subsidiary acquired</b>			
Trade and other receivables	100	-	100
Property, plant and equipment	-	299,900	299,900
	<u>100</u>	<u>299,900</u>	<u>300,000</u>
Total identifiable net assets	100	299,900	300,000
	<u>100</u>	<u>299,900</u>	
Non-controlling interests			-
Goodwill			-
			<u>-</u>
Total consideration			300,000
			<u>300,000</u>

The acquired subsidiary had minimal activity at the time of acquisition and does not represent a business combination as specified by criteria in IFRS 3 Business Combinations. As such, the acquisition has been accounted for as an acquisition of assets, with the value of the consideration paid being attributed to the cost of site preparation, as permitted by IAS 16 Property, plant and equipment. Following acquisition by the Group, the subsidiary immediately commenced development of its asset.

On 26 October 2021 the Group acquired 100 percent of the issued capital of CNG Castleford Limited. Total cash consideration of £300,000 was transferred to the seller, CNG Fuels Ltd, for the acquisition. The Group incurred loan note borrowings payable to its parent, CNG Foresight Holding Limited, to fulfil the purchase, and no cash outflow arose from the Group itself.

	Book Value	Adjustments	Fair Value
	£	£	£
<b>Net assets of subsidiary acquired</b>			
Trade and other receivables	100	-	100
Property, plant and equipment	-	299,900	299,900
	<u>100</u>	<u>299,900</u>	<u>300,000</u>
Total identifiable net assets	100	299,900	300,000
	<u>100</u>	<u>299,900</u>	
Non-controlling interests			-
Goodwill			-
			<u>-</u>
Total consideration			300,000
			<u>300,000</u>

The acquired subsidiary had minimal activity at the time of acquisition and does not represent a business combination as specified by criteria in IFRS 3 Business Combinations. As such, the acquisition has been accounted for as an acquisition of assets, with the value of the consideration paid being attributed to the cost of site preparation, as permitted by IAS 16 Property, plant and equipment. Following acquisition by the Group, the subsidiary immediately commenced development of its asset.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 26 Capital commitments

	2022 £	2021 £
At 31 March 2022 the group had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	1,295,937	4,192,035

### 27 Capital risk management

The group has a term loan borrowing facility with GCP Asset Backed Income (UK) Limited (also known as Gravis), under which the agreement requires a subsidiary of the Group, CNG Station Holdings Limited, to maintain certain ratios of the following:

- Default loan life cover of 1.20:1.
- Lock-up debt service cover of 1.40:1
- Default debt service cover of 1.1:1

The subsidiary has complied with these capital requirements during the year.

### 28 Events after the reporting date

On 22 July 2022, CNG Foresight Limited Group acquired 100% of the issued share capital of Newton Aycliffe Limited for a consideration of £300,000.

On 27 September 2022, CNG Foresight Limited Group acquired 100% of the issued share capital of CNG Corby Limited for a consideration of £600,000.

Within these financial statements, deferred consideration payable from the Group of £437,000 is included within trade and other payables, in relation to the Group's acquisition of CNG Station Holdings Limited in the prior year. This consideration is contingent on costs in relation to the development of CNG Knowsley Limited's asset completing within the budgeted EPC milestones. In early October 2022, the site's final testing was passed and the site became operational, at which point the Group became liable to settle the remaining deferred consideration, without further reduction in value.

### 29 Related party transactions

During the year the group 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	15,171,796	2,126,787	20,272,200	2,107,373

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 29 Related party transactions

(Continued)

	Interest charged		Purchase of services	
	2022	2021	2022	2021
	£	£	£	£
Parent company	3,422,387	722,676	-	-
Entities with joint control or significant influence over the company	-	-	1,392,035	799,981
	<u>3,422,387</u>	<u>722,676</u>	<u>1,392,035</u>	<u>799,981</u>

Sale and purchase of goods in the period relate to revenues invoiced to and the purchase of natural gas and electricity units from CNG Fuels Ltd, an entity with significant influence over the Group. These transactions were at market rate.

Interest charged to the Group during the period was from CNG Foresight Holding Limited, relating to loan notes issued to the Group's parent, CNG Foresight Limited.

Purchase of services relate to recharged administrative expenditure from CNG Fuels Ltd under an operator and management agreement.

During the year, the Group incurred expenditure of £13,625,714 (2021: £2,169,429) under EPC development contracts for costs relating to the development of its assets under construction and purchased other plant and equipment of £823,328 (2021: £nil) from entities with significant influence over the entity.

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
<b>Amounts due to related parties</b>		
Parent company	48,097,468	27,531,121
Entities with joint control or significant influence over the company	3,250,404	2,114,283
Other related parties	-	287,436
	<u>51,347,872</u>	<u>29,932,840</u>

Amounts due to the parent company consist of loan notes borrowings, which are unsecured, carry interest of 9% per annum and mature December 2030.

Deferred consideration of £437,000 (2021: £1,500,000) is owed to related parties within the CNG Fuels Ltd group, which forms part of the overall consideration of acquisitions made in prior period, more detail can be seen in the notes to these financial statements.

All other balances owed to related parties consist of trade payable or intercompany loan balances, which bear no interest and are unsecured. In the case of trade payable balances, these are due within the supplier's standard credit terms. Intercompany loans are repayable on demand.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 29 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
<b>Amounts due from related parties</b>		
Entities with joint control or significant influence over the company	1,915,150	1,362,973
Other related parties	94,461	157,592
	<u>2,009,611</u>	<u>1,520,565</u>

All amounts due from related parties consist of trade receivables or intercompany loan balances, which bear no interest and are unsecured. In the case of trade receivable balances, these are due within the Group's standard credit terms. Intercompany loans are repayable on demand.

### 30 Controlling party

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

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.

### 31 Reclassification of fuel duty presentation

In the prior period, revenue generated by one Group subsidiary, relating to fuel duty charged to customers was presented net in the income statement, against the corresponding fuel duty expense incurred. During preparation of the current year financial statements, it has been concluded that a more appropriate representation of the activities of the Group as the principal in the transaction, is to reclassify this income to revenue, with a corresponding increase in costs of goods sold. Accordingly, both revenue and cost of goods sold presented in the comparative group income statement have been increased by £386,095 respectively, resulting in no change to profit or total equity at 31 March 2021. The value reclassified reflects the period from acquisition of the subsidiary on 4 December 2020 to 31 March 2021.

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 32 Cash generated from operations

	2022 £	2021 £
Loss for the year before income tax	(3,908,151)	(1,295,020)
<b>Adjustments for:</b>		
Finance costs	3,805,935	850,136
Investment income	(19)	(6)
Depreciation and impairment of property, plant and equipment	1,464,774	418,261
Other gains and losses	(813,000)	-
Decrease in provisions	(19,808)	-
<b>Movements in working capital:</b>		
Increase in inventories	(348,727)	(98,505)
Increase in contract assets	(4,645,111)	(306,548)
(Increase)/decrease in trade and other receivables	(3,852,313)	3,054,450
Increase/(decrease) in trade and other payables	9,756,392	(1,728,935)
<b>Cash generated from operations</b>	<b>1,439,972</b>	<b>893,833</b>

### 33 Reconciliation of liabilities arising from financing activities

	1 April 2021 £	Cash flows £	Interest charged £	Other non- cash changes £	31 March 2022 £
Borrowings excluding overdrafts	(31,306,569)	(12,740,315)	(3,719,433)	(4,436,269)	(52,202,586)
Obligations under finance leases	(1,386,573)	42,548	(83,023)	54,661	(1,372,387)
	<u>(32,693,142)</u>	<u>(12,697,767)</u>	<u>(3,802,456)</u>	<u>(4,381,608)</u>	<u>(53,574,973)</u>
	21 October 2020 £	Cash flows £	Interest charged £	Other non- cash changes £	31 March 2021 £
<b>Prior period:</b>					
Borrowings excluding overdrafts	-	1,111,660	(821,464)	(31,596,765)	(31,306,569)
Obligations under finance leases	-	37,205	(27,860)	(1,395,918)	(1,386,573)
	<u>-</u>	<u>1,148,865</u>	<u>(849,324)</u>	<u>(32,992,683)</u>	<u>(32,693,142)</u>

# CNG FORESIGHT LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

---

### **33 Reconciliation of liabilities arising from financing activities**

**(Continued)**

In the current year, other non-cash changes to borrowings related to the granting of loan notes to the Group, for which no cash inflow was received. Other non-cash changes to obligations under finance leases were in relation to payments made against lease liabilities by non-group related parties and the remeasurement of a lease liability arising on the variation of payments due under the terms of the lease.

In the prior period, other non-cash changes to borrowings related to the granting of loan notes to the Group, for which no cash inflow was received. Other non-cash changes to obligations under finance leases were primarily in relation to the acquisition of subsidiaries party to existing lease liabilities.



# CNG FORESIGHT LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION

**AS AT 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Non-current assets</b>			
Property, plant and equipment	<b>38</b>	754,717	-
Investments	<b>40</b>	26,468,693	25,868,693
Other receivables	<b>41</b>	15,906,243	1,264,104
		<u>43,129,653</u>	<u>27,132,797</u>
<b>Current assets</b>			
Inventories	<b>39</b>	447,232	98,505
Trade and other receivables	<b>41</b>	1,895,531	985,367
Cash and cash equivalents		521,084	49
		<u>2,863,847</u>	<u>1,083,921</u>
<b>Current liabilities</b>			
Trade and other payables	<b>43</b>	988,506	1,731,141
Borrowings	<b>44</b>	68,336	-
		<u>1,056,842</u>	<u>1,731,141</u>
<b>Net current assets/(liabilities)</b>		<u>1,807,005</u>	<u>(647,220)</u>
<b>Non-current liabilities</b>			
Borrowings	<b>44</b>	48,532,851	27,531,121
<b>Net liabilities</b>		<u>(3,596,193)</u>	<u>(1,045,544)</u>
<b>Equity</b>			
Called up share capital		2	2
Retained earnings		(3,596,195)	(1,045,546)
<b>Total equity</b>		<u>(3,596,193)</u>	<u>(1,045,544)</u>

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £2,550,649 (2021 - £1,045,546 loss).

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 12966109 (England and Wales)

## CNG FORESIGHT LIMITED

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

	Notes	Share capital £	Retained earnings £	Total £
<b>Balance at 21 October 2020</b>		-	-	-
<b>Period ended 31 March 2021:</b>				
Loss and total comprehensive expense for the period		-	(1,045,546)	(1,045,546)
Issue of share capital	2	2	-	2
<b>Balance at 31 March 2021</b>		2	(1,045,546)	(1,045,544)
<b>Year ended 31 March 2022:</b>				
Loss and total comprehensive expense for the year		-	(2,550,649)	(2,550,649)
<b>Balance at 31 March 2022</b>		2	(3,596,195)	(3,596,193)

# CNG FORESIGHT LIMITED

## COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	45		(2,080,865)		706,180
<b>Net cash (outflow)/inflow from operating activities</b>			(2,080,865)		706,180
<b>Investing activities</b>					
Purchase of property, plant and equipment		(628,123)		-	
Loans made to other entities		(11,105,037)		-	
Repayment of loans		1,136,984		-	
Interest received		-		16,545	
<b>Net cash (used in)/generated from investing activities</b>			(10,596,176)		16,545
<b>Financing activities</b>					
Proceeds from borrowings		14,257,582		-	
Repayment of borrowings		(1,059,506)		-	
Interest paid		-		(722,676)	
<b>Net cash generated from/(used in) financing activities</b>			13,198,076		(722,676)
<b>Net increase in cash and cash equivalents</b>			521,035		49
Cash and cash equivalents at beginning of year			49		-
Cash and cash equivalents at end of year			521,084		49

# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

---

### 34 Accounting policies

#### Company information

CNG Foresight Limited is a private company limited by shares and 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.

#### 34.1 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 Company applies accounting policies consistent with those applied by the Group. To the extent that an accounting policy is relevant to both Group and parent Company financial statements, please refer to the Group financial statements for disclosure of the relevant accounting policy.

### 35 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.

# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 36 Critical accounting estimates and judgements

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 judgements 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 key sources of estimation uncertainty impacting the financial statements.

#### **Critical judgements**

##### **Impairment and recoverability of investments**

The Company assesses all of its investments for indicators of impairment and recoverability at the reporting date. This involves making judgements about the recoverable value of such assets achieved either through use or sale of the asset, to assess for any impairment required to the carrying value stated within the financial statements. Recoverability is assessed through a combination of reviewing the net asset values of the business concerned and their ability to generate future economic benefits and cash flows for the Company. Management do not consider there to be any indicators of impairment at the reporting date.

### 37 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.

### 38 Property, plant and equipment

	Plant and equipment £
<b>Cost</b>	
At 21 October 2020 and 1 April 2021	-
Additions	823,328
At 31 March 2022	823,328
<b>Accumulated depreciation and impairment</b>	
At 21 October 2020 and 1 April 2021	-
Charge for the year	68,611
At 31 March 2022	68,611

# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 38 Property, plant and equipment (Continued)

	Plant and equipment £
<b>Carrying amount</b>	
At 31 March 2022	754,717

### 39 Inventories

	2022 £	2021 £
Spare repair parts	447,232	98,505

### 40 Investments

	Non-current 2022 £	2021 £
Investments in subsidiaries	26,468,693	25,868,693
	26,468,693	25,868,693

#### Investment in subsidiary undertakings

Details of the company's principal operating subsidiaries are included in the notes to the group financial statements.

#### Movements in non-current investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 April 2021	25,868,693
Additions	600,000
At 31 March 2022	26,468,693
<b>Carrying amount</b>	
At 31 March 2022	26,468,693
At 31 March 2021	25,868,693

During the year, the Company acquired two new subsidiaries for total consideration of £600,000. Details of the acquisitions can be seen in note 25 to the Group financial statements.

The Company assesses its investments in subsidiaries for indicators of impairment annually and concluded that no there were no indicators of impairment. As such, no impairment reviews were conducted.

# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 41 Trade and other receivables

	Current		Non-current	
	2022	2021	2022	2021
	£	£	£	£
Trade receivables	125	-	-	-
Contract assets (note 42)	46,563	-	-	-
VAT recoverable	94,167	19,366	-	-
Amounts owed by subsidiary undertakings	1,472,090	763,499	15,906,243	1,264,104
Other receivables	281,726	1,502	-	-
Prepayments	860	201,000	-	-
	<u>1,895,531</u>	<u>985,367</u>	<u>15,906,243</u>	<u>1,264,104</u>

Current amounts owed by subsidiary undertakings consist of intercompany loans, which are unsecured, repayable on demand and do not bear interest.

Non-current amounts owed by subsidiary undertakings consist of unsecured loan note receivables, which carry interest at 9% per annum and mature 31 December 2030. Upon maturity the capital and accrued interest will become receivable in full.

### 42 Contracts with customers

	2022	2021	2021
	Period end	Period end	Period start
	£	£	£
<b>Contracts in progress</b>			
Contract assets	46,563	-	-

Contract asset balances relate to the recoverable contract costs that have been incurred, but not yet invoiced to customers.

### 43 Trade and other payables

	2022	2021
	£	£
Trade payables	37,319	116,195
Amounts owed to subsidiary undertakings	281,490	1,500
Amounts owed to related parties	119,049	49
Accruals	113,648	113,397
Deferred consideration due to related parties	437,000	1,500,000
	<u>988,506</u>	<u>1,731,141</u>

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

Deferred consideration relates to amounts payable to CNG Fuels Ltd, for the acquisition of CNG Station Holdings Limited in the prior year. The fair value of this payable at the year end was £437,000 (2021: £1,250,000).

# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 44 Borrowings

	Current 2022 £	2021 £	Non-current 2022 £	2021 £
<b>Borrowings held at amortised cost:</b>				
Other loans	68,336	-	435,383	-
Loans from parent undertaking	-	-	48,097,468	27,531,121
	<u>68,336</u>	<u>-</u>	<u>48,532,851</u>	<u>27,531,121</u>

Other loans represent a financing liability provided to the Company under a sale and leaseback arrangement against the Company's property, plant and equipment. The transfer of asset was not deemed to meet the criteria for recognising a sale, as such the proceeds received for the asset are recognised as a financing liability under IFRS 9 Financial Instruments, measured at amortised cost, applying the effective interest method. The terms of the financing arrangement are repayments made evenly over 60 months from commencement of the arrangement.

Loans from parent undertaking consist of loan notes issued by CNG Foresight Holding Limited to the Company. These loan notes are unsecured, carry interest of 9% per annum and mature December 2030.

### 45 Cash generated from operations

	2022 £	2021 £
Loss for the year after tax	(2,550,649)	(1,045,546)
<b>Adjustments for:</b>		
Finance costs	3,435,718	722,676
Investment income	(882,509)	(16,545)
Depreciation and impairment of property, plant and equipment	68,611	-
Other gains and losses	(813,000)	-
<b>Movements in working capital:</b>		
Increase in inventories	(348,727)	(98,505)
Increase in contract assets	(46,563)	-
Increase in trade and other receivables	(714,959)	(985,365)
(Decrease)/increase in trade and other payables	(228,787)	2,129,465
<b>Cash generated from operations</b>	<u>(2,080,865)</u>	<u>706,180</u>



# CNG FORESIGHT LIMITED

## NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 46 Reconciliation of liabilities arising from financing activities - Company

	1 April 2021	Cash flows	Interest charged	Other movements	31 March 2022
	£	£	£	£	£
Borrowings excluding overdrafts	(27,531,121)	(13,198,076)	(3,435,718)	(4,436,272)	(48,601,187)
	<u>(27,531,121)</u>	<u>(13,198,076)</u>	<u>(3,435,718)</u>	<u>(4,436,272)</u>	<u>(48,601,187)</u>
	<u><u>(27,531,121)</u></u>	<u><u>(13,198,076)</u></u>	<u><u>(3,435,718)</u></u>	<u><u>(4,436,272)</u></u>	<u><u>(48,601,187)</u></u>
	21 October 2020	Cash flows	Interest charged	Other movements	31 March 2021
Prior period:	£	£	£	£	£
Borrowings excluding overdrafts	-	(722,676)	722,676	(27,531,121)	(27,531,121)
	<u>-</u>	<u>(722,676)</u>	<u>722,676</u>	<u>(27,531,121)</u>	<u>(27,531,121)</u>
	<u><u>-</u></u>	<u><u>(722,676)</u></u>	<u><u>722,676</u></u>	<u><u>(27,531,121)</u></u>	<u><u>(27,531,121)</u></u>

Other movements on borrowings represent loan note borrowings issued to the Company, for which no cash proceeds were received.

