

Registration number: 07411241

Fuel Cell Systems Ltd

Annual Report and Financial Statements
for the Year Ended 31 October 2022

Fuel Cell Systems Ltd

Contents

Balance Sheet	<u>1</u>
Notes to the Financial Statements	<u>2 to 8</u>

Fuel Cell Systems Ltd

(Registration number: 07411241)
Balance Sheet as at 31 October 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>4</u>	15,357	8,122
Current assets			
Stocks	<u>5</u>	1,516,760	718,580
Debtors	<u>6</u>	1,790,450	1,206,419
Cash at bank and in hand		4,167,567	1,108,000
		<u>7,474,777</u>	<u>3,032,999</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(2,755,145)</u>	<u>(2,177,578)</u>
Net current assets		<u>4,719,632</u>	<u>855,421</u>
Total assets less current liabilities		4,734,989	863,543
Creditors: Amounts falling due after more than one year	<u>7</u>	(198,657)	(293,584)
Provisions for liabilities		-	(1,188)
Net assets		<u>4,536,332</u>	<u>568,771</u>
Capital and reserves			
Called up share capital		1	1
Share premium reserve		3,024,324	-
Retained earnings		1,512,007	568,770
Shareholders' funds		<u>4,536,332</u>	<u>568,771</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 31 July 2023 and signed on its behalf by:

.....
T Chicken
Director

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 3
Station Yard
Station Road
Hungerford
Berkshire
RG17 0DY
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Audit report

The Independent Auditor's Report was qualified. The company was exempt from audit for the year ended 31 October 2021. We were not appointed as auditor of the company until after the year end and therefore we did not observe the counting of physical stocks at 31 October 2021 concerning the stock held in that period. Consequently we were unable to determine whether any adjustment to this amount was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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 qualified opinion. The name of the Senior Statutory Auditor who signed the audit report on 31 July 2023 was Dean Blunden BFP FCA, who signed for and on behalf of UHY Ross Brooke.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the supply of hydrogen refuelling systems and for the supply of fuel cells and methanol (for remote monitoring and other applications) in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture and fittings	10%-20% straight line basis
Plant and machinery	33% straight line basis
Office equipment	25% straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for the supply of hydrogen fuel cell power systems in the ordinary course of business.

Stocks

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

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2021 - 12).

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 November 2021	19,731	7,850	6,544	34,125
Additions	-	7,882	4,743	12,625
At 31 October 2022	19,731	15,732	11,287	46,750
Depreciation				
At 1 November 2021	16,266	7,850	1,887	26,003
Charge for the year	2,564	436	2,390	5,390
At 31 October 2022	18,830	8,286	4,277	31,393
Carrying amount				
At 31 October 2022	901	7,446	7,010	15,357
At 31 October 2021	3,465	-	4,657	8,122

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

5 Stocks

	2022 £	2021 £
Other inventories	1,516,760	718,580

6 Debtors

	2022 £	2021 £
Current		
Trade debtors	1,603,489	1,171,840
Prepayments	142,084	34,550
Other debtors	44,877	29
	<u>1,790,450</u>	<u>1,206,419</u>

7 Creditors

Creditors: amounts falling due within one year

	2022 £	2021 £
Due within one year		
Loans and borrowings	94,927	84,210
Trade creditors	1,669,706	1,139,696
Taxation and social security	492,513	326,944
Other creditors	497,999	626,728
	<u>2,755,145</u>	<u>2,177,578</u>

Creditors: amounts falling due after more than one year

	2022 £	2021 £
Due after one year		
Loans and borrowings	198,657	293,584

Note

8

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

8 Loans and borrowings

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	94,927	84,210
Non-current loans and borrowings		
Bank borrowings	198,657	293,584

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £31,167 (2021 - £65,167).

10 Related party transactions

Transactions with directors

	At 1 November 2021 £	Advances to director £	Repayments by director £	At 31 October 2022 £
2022				
T Chicken				
Director loan account	29	260,039	(260,068)	-
T L Sperrey				
Director loan account	104	-	(104)	-
2021				
T Chicken				
Director loan account		10	19	29
T L Sperrey				
Director loan account		-	104	104

Other transactions with directors

During the period the directors had interest free loan accounts with the company. At the balance sheet date the amount due (to)/from the directors was £nil (2021: £133).

Fuel Cell Systems Ltd

Notes to the Financial Statements for the Year Ended 31 October 2022

11 Parent and ultimate parent undertaking

Following the acquisition of a majority stake in Fuel Cell Systems Ltd on 26 September 2022, the company's immediate parent is HGEN2 Limited, a company incorporated in Scotland.

The ultimate parent is HGEN2 Energy Ventures Limited, a company incorporated in Scotland.

Funds managed by SCF Partners Inc are the majority shareholder of HGEN2 Energy Ventures Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.