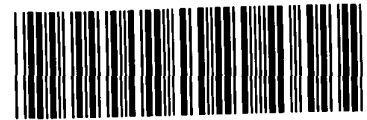


**CHARGEMASTER LIMITED**  
(Registered No.06720009)

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COMPANIES HOUSE

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2021**

Board of Directors: L A Allen  
N A Kirton  
M E Bonnor-Morris

The directors present the strategic report, their report and the audited financial statements for the year ended 31 December 2021.

**STRATEGIC REPORT**

**Results**

The loss for the year after taxation was £28,150,000 which, when added to the accumulated loss brought forward at 1 January 2021 of £40,152,000, gives a total accumulated loss carried forward at 31 December 2021 of £68,302,000.

**Principal activity and review of the business**

The principal activity of the company is to supply and operate electric vehicle (EV) charging points.

The key financial and other performance indicators during the year were as follows:

	2021	2020	Variance	
	£000	£000	%	
Turnover	26,216	18,075	45 %	
Operating loss	(27,981)	(14,662)	91 %	
Loss for the financial year		(28,150)	(14,679)	92 %
Total equity		76,695	52,671	46 %

Higher revenue was due to the increase in the installation of charging points during the year, in line with the business plan to expand in the United Kingdom (UK).

Higher operating loss and loss for the year were primarily driven by a combination of higher depreciation and amortization as a result of the investments made in the company's systems and pulse network, and higher payroll costs supporting the company's expansion.

**Section 172 (1) statement**

This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the statement required under section 414CZA of the Companies Act 2006 (the "Act").

During the course of the year the following primary tasks were undertaken by the Board in line with the principal activities of the company:

- Defining and establishing purpose and strategy including, where relevant, having regard to the purpose, strategy, culture and values defined by BP p.l.c.
- Monitoring the potential challenges presented by the ongoing COVID-19 pandemic, having regard to the company's safe and reliable operations.
- Assessing principal and emerging risks relevant to the company.

**STRATEGIC REPORT****Section 172 (1) statement (continued)**

The table below demonstrates how the Board has discharged their duties under section 172(1):

Section 172(1)	Overview of performance against section 172(1)
a. The likely long-term consequences of the decision	When setting and delivering on the company's strategy, the directors have regard to the evolving environment in which the company operates and aims to promote the long term success and sustained economic viability of the company.
b. The interests of the company's employees	The directors recognise that employees are vital to the long term success of the company and, as such, engage with employees, and keep them informed on matters of concern to them. During 2021 this included reviewing the impact of Reinvent bp on the workforce and reports on key performance indicators on employee engagement measured by employee surveys.
c. The need to foster the company's business relationships with suppliers, customers and others	During 2021, the directors reiterated their focus on engagement and fostering relationships with key stakeholders, as well as an increased focus on environment, social and governance ("ESG") matters.
d. The impact of the company's operations on the community and the environment	The directors are committed to bp's group wide policies and aims which protect the community, environment and its people.
e. The desirability to maintain the company's reputation for high standards of business conduct	<p>In 2021 bp continued to operate under its sustainability frame launched in 2020, with aims and objectives linked to the UN Sustainable Development Goals. bp's values of safety, respect, excellence, courage and one team define how the bp group, including the company and its Board, conduct business. Furthermore, bp's code of conduct is based upon its values and it sets clear expectations for how bp, the company and the Board operate. The directors of the company continued to adhere, in good faith, to the bp code of conduct during the year and oversee adherence to the bp code of conduct by the company's employees to ensure the Board and the company maintain a reputation for high standards of business conduct.</p> <p>bp's code of conduct includes prohibitions on engaging in bribery or corruption in any form, in accordance with bp's group-wide anti-bribery and corruption policy and procedures. During the year, bp continued to engage suppliers and communicate expectations for managing bribery and corruption risk on behalf of bp, where relevant.</p>
f. The need to act fairly between members of the company	The directors aim to balance the needs of various stakeholders when setting and delivering the company's strategy, having regard to long term value creation, including maximising long term shareholder value.

Further information on the bp group policies applicable to the company can be found in BP p.l.c.'s 2021 Annual Report and Form 20-F and the bp Sustainability Report 2021.

**STRATEGIC REPORT****Section 172 (1) statement (continued)****Stakeholder including employee engagement**

For further details on how the company has engaged with stakeholders, fostered relationships with them and how this has impacted decision making, please refer to the Engagement with Stakeholders Statement and Engagement with Employees Statement found in the Directors' Report.

**The company's principal decisions**

The company and the bp group have taken the view that a 'principal' decision is one which is material and strategic in nature and would affect the ability of the company to generate or preserve value over the long term.

During the period, the following principal decisions were taken by the company whilst having regard to the company's stakeholders and other relevant factors:

<b>Principal decision</b>	<b>The relevant factors taken into account during the decision making process</b>
During the year, the directors considered and approved the sale of shares in its wholly owned subsidiary, Aral Pulse (formerly known as Chargemaster (Europe) GMBH), following the subsidiary's change in business activity.	The directors considered the impact of such a decision on the long-term prospects of the company, as well as considering the financial position of the company. It was considered to be in the best interest of the company given that Aral Pulse (formerly known as Chargemaster (Europe) GMBH) was previously dormant.

**Principal risks and uncertainties**

The company aims to deliver sustainable value by identifying and responding successfully to risks. Risk management is integrated into the process of planning and performance management for the bp group.

The risks listed below, separately or in combination, could have a material adverse effect on the implementation of the company's strategy, business, financial performance, results of operations, cash flows, liquidity, prospects, shareholder value and returns and reputation. Unless stated otherwise, further details on these risks are included within the risk factors in the strategic report of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

**Strategic and commercial risks*****Prices and markets***

The company's financial performance is subject to technological change and the general macroeconomic outlook. Technological change and global economic conditions can impact supply and demand and prices for our products.

***Major project delivery***

Poor investment choice, efficiency or delivery, or operational challenges at any major project that underpins production or production growth, could adversely affect our financial performance.

## **STRATEGIC REPORT**

### **Strategic and commercial risks (continued)**

#### ***Geopolitical***

The company is exposed to a range of political, economic and social developments and consequent changes to the operating and regulatory environment which could cause business disruption. Political instability, changes to the regulatory environment or taxation, international trade disputes and barriers to free trade, international sanctions, expropriation or nationalization of property, civil strife, strikes, insurrections, acts of terrorism, acts of war and public health situations (including the continued impact of the COVID-19 pandemic or any future epidemic or pandemic) may disrupt or curtail our operations, business activities or investments. These may in turn cause production to decline, limit our ability to pursue new opportunities, affect the recoverability of our assets and our related earnings and cash flow or cause us to incur additional costs, particularly due to the long-term nature of many of our projects and significant capital expenditure required.

#### ***Liquidity, financial capacity and financial, including credit, exposure***

Failure to work within the financial framework set by the bp group could impact the company's ability to operate and result in financial loss.

#### ***Digital infrastructure and cybersecurity***

Breach or failure of the company's or third parties' digital infrastructure or cyber security, including loss or misuse of sensitive information could damage its operations and reputation or increase costs.

Current geopolitical factors have increased these risks.

#### ***Climate change and the transition to a lower carbon economy***

Developments in policy, law, regulation, technology and markets including societal and investor sentiment, related to the issue of climate change could increase costs, constrain the company's operations and affect our business plans and financial performance.

#### ***Competition***

Inability to remain efficient, maintain a high-quality portfolio of assets, innovate and retain an appropriately skilled workforce could negatively impact delivery of the company's strategy in a highly competitive market.

#### ***Insurance***

The bp group's insurance strategy could expose the bp group to material uninsured losses which in turn could adversely affect the company.

### **Compliance and control risks**

#### ***Ethical misconduct and non-compliance***

Ethical misconduct or breaches of applicable laws by the company's businesses or its employees could be damaging to its reputation, and could result in litigation, regulatory action and penalties.

#### ***Regulation***

Changes in the law and regulation could increase costs, constrain the company's operations and affect its business plans and financial performance.

#### ***Reporting***

Failure to accurately report the company's data could lead to regulatory action, legal liability and reputational damage.

**STRATEGIC REPORT**

**Financial risk management**

The company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risks relating to foreign currency exchange rates and interest rates; credit risk; and liquidity risk. Further details on these financial risks are included within Note 28 of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

Authorized for issue on behalf of the Board

DocuSigned by:  
  
B4818C36E85E412...  
N A Kirton  
Director

September 29, 2022  
Registered Office:

Breckland  
Linford Wood  
Milton Keynes  
MK146GY  
United Kingdom

**DIRECTORS' REPORT**  
**CHARGEMASTER LIMITED**

**Directors**

The present directors are listed on page 1.

D R Mabon served as a director throughout the financial year. Changes since 1 January 2021 are as follows:

	<u>Appointed</u>	<u>Resigned</u>
L A Allen	15 March 2021	—
N A Kirton	18 May 2021	—
M E Bonnor-Moris	16 May 2022	—
D D O Robertson	—	11 March 2021
M S G De Renzi	—	13 May 2021
M V Nakrani	—	22 October 2021
D R Mabon	—	26 April 2022

**Directors' indemnity**

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006. Such qualifying third party indemnity provisions for the benefit of the company's directors remain in force at the date of this report.

**Dividends**

The company has not declared any dividends during the year (2020 £Nil). The directors do not propose the payment of a dividend (2020 £Nil).

**Financial instruments**

In accordance with section 414C of the Companies Act 2006 the directors have included information regarding financial instruments as required by Schedule 7 (Part 6.1) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the strategic report under Financial risk management.

**Post balance sheet events**

On 11 January 2022, the company disposed of its entire interest in Aral Pulse (formerly known as Chargemaster (Europe) GMBH) to BP Europa SE for a total consideration of EUR25,000 (equivalent to £20,964).

In March 2022, the parent company approved a capital injection of up to £70,000,000 in exchange for shares in the company.

On 21 March 2022, 500,000,000 ordinary shares of £0.04 each for a total nominal value of £20,000,000 were allotted to the parent company.

On 27 June 2022, 500,000,000 ordinary shares of £0.04 each for a total nominal value of £20,000,000 were allotted to the parent company.

On 9 March 2022, the subsidiary of the company, Charging Solutions Limited, was dissolved following liquidation.

## **DIRECTORS' REPORT**

### **Going concern**

The directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID 19 were considered as part of the going concern assessment.

The company supplies and operates electric vehicle (EV) charging points in the United Kingdom and earns revenue from external customers. The company is in a healthy net assets and net current assets position as at 31 December 2021.

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis. For further information on financial risk factors, including credit risk and liquidity risk, see page 5.

In assessing the prospects of Chargemaster Limited, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Future developments**

The directors consider that, despite the uncertainties deriving from the current economic environment and the loss reported for the year, the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved.

It is the intention of the directors that the business of the company will continue for the foreseeable future.

### **Research and development**

The company incurs expenditure on the development of charger units and software which is capitalized within intangible assets as development costs.

### **Disabled employees**

The company gives full and fair consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

## **DIRECTORS' REPORT**

### **Stakeholder statements**

#### **Employee engagement**

Employees are informed of information on matters of concern to them as employees through bp's intranet and local sites, social media channels, town halls, site visits and webinars including topics such as quarterly results, strategy, the low carbon transition, and diversity. During the year, the bp group had a number of employee-led forums and business resource groups ("BRGs"), as well as virtual 'Keeping Connected' webcasts and site visits by the BP p.l.c. board as part of the workforce engagement programme. Through these employee engagement events, bp aims to also build constructive relationships with labour unions formally representing some employees. On an ongoing basis bp, and the Board of the company, hears directly from employees on a range of topics, including bp's purpose and strategy, employee sentiment – particularly during the reorganisation of bp – the impact of COVID-19 on operations and wellbeing, diversity and career progression. In light of the ongoing COVID-19 pandemic, and to ensure the safety of its employees, certain bp employees were told to work from home when necessary which constituted a principal decision of bp and, if applicable, the company.

Employee share ownership is encouraged and there are a number of employee share plans in place at bp group level. For example, the ShareSave employee share plan will be implemented in the company in 2023. The bp group also operates a group-wide discretionary share plan, which allows employee participation at different levels globally and is linked to the bp group's performance.

Employees are consulted on a regular basis through the company's employee engagement survey, Culture Amp where the company gauges employee feedback and takes appropriate action on the results of the survey. Employees are also consulted through regular team and one-to-one meetings and the employee forum which was instituted in Q1 2022. bp has committed to centrally focus on and direct action planning in four key areas to strengthen engagement: connecting with purpose and strategy, future excitement, career development and inclusion.

The company engages with its employees to create an environment where its people can continue to learn and establish their careers alongside adding value to the attainment of the company's initiatives. The company promotes the use of specific lines of communication such as employee surveys, the bp group's intranet, webinars, email updates, social media channels, business performance updates and presentations, among other things.

A stakeholder review is conducted during the bp group and/or Board's decision-making process and employee's views are taken into account in decisions likely to affect their interests. Employee engagement is discussed and considered by the Board at Board meetings on a regular basis.

Where applicable, any principal decisions taken by the Board in relation to the employees and the effect having regard to employee interests had on the decision making are detailed in the section 172(1) statement within the Strategic Report.

**DIRECTORS' REPORT****Engagement with other stakeholders**

The Board recognises the importance of considering and having regard to key stakeholders and their interests when making decisions. By thoroughly understanding the company's key stakeholder groups, the Board can successfully consider and address the needs of these stakeholders and foster good business relationships with them. The company considers its employees, governments, shareholders, customers, suppliers and communities within the countries it operates.

The Board is committed to doing business ethically and transparently, using bp's values and code of conduct to guide them when engaging and working with business partners. The company's activities, and the decisions of its Board, affect a wide variety of individuals and organisations. The Board engages with its stakeholders, listening to their differing needs and priorities as an everyday part of business, and utilising the feedback received to inform the Board's decision-making.

As noted in the section 172(1) statement within the Strategic Report, responsibility for decisions that impact the entire bp group are taken by the Board of BP p.l.c. On behalf of the company, the bp group is a member of industry associations that offer opportunities to share good practices and collaborate on issues of importance. Additionally, the bp group works with governments on a range of issues that are relevant to its business, from regulatory compliance and understanding tax liabilities, to collaborating on community initiatives.

Regularly engaging with stakeholders is a priority for the company and the below table describes how the Board had regard to the need to foster relationships with the company's key stakeholders, how outcomes were considered and how concerns were identified and addressed during the reporting period. Further details of these decisions, and if applicable any principal decisions in relation to the stakeholders, are discussed in the section 172(1) statement:

Stakeholders	Stakeholders' interests	How we have fostered relationships	How the fostering of relationships impacted decision making
Employees	For details on how the company has engaged with its employees, how the directors had regard to those employees' interests, and the impact upon the same, including on the decisions taken during the reporting period, refer to the Engagement with Employees Statement in the Directors' Report.		

**DIRECTORS' REPORT**

<p><b>Suppliers</b></p>	<p>For the company to understand, and where feasible, meet the suppliers' needs and expectations.</p> <p>For the company to provide regular support to the suppliers in order to improve suppliers' systems and avoid defects and/or operational issues where feasible.</p> <p>To be part of a fair and respectful tender and supplier selection process.</p> <p>To be part of a valued supplier relationship centred around ethics and transparency.</p>	<p>The company maintains a number of bp group wide policies to ensure fair treatment of its current and potential suppliers.</p> <p>The bp group also conducts supplier site visits to build relationships and monitor how work is being carried out, ensuring that it meets the suppliers' and the bp group's expectations.</p>	<p>Management and/or, where significant, the Board are provided with updates on renewals and negotiations for existing and/or new supplier agreements. The information received supports effective decision making by the Board when considering the long term consequences on relationships with suppliers.</p> <p>On an exceptional basis, the directors will engage with suppliers through means of the procurement teams in the case of any escalation.</p> <p>bp's supplier site visits are intended to be mutually beneficial in terms of improvement and learning opportunities.</p>
<p><b>Customers</b></p>	<p>For the company to provide its customers with top quality services.</p> <p>For the company to build a trusted relationship with its customers.</p> <p>Ensuring the safe execution of products and services provided to its customers and that any claims in relation to the same, are addressed and resolved.</p> <p>Ensuring that customer data is kept in a secure environment and only for the duration and purposes that the data is required for.</p>	<p>The company maintains a number of bp group wide policies to ensure the ongoing security of customer data, safe execution and quality of the products and services and a continued trusted relationship with its customers.</p> <p>On behalf of the company, the bp group also seeks to engage with customers through forums such as social media, focus bp groups and in-depth interviews with customers to better understand customer's needs and seek their feedback.</p>	<p>Management and/or, where significant, the Board are provided with updates on renewals and negotiations for existing and/or new customer contracts. The information received supports effective decision making by the Board when considering the long term consequences on relationships with its customers.</p> <p>By obtaining customer feedback and understanding our customers, it has allowed us to clarify the company's vision for future growth and ways to continually add brand value.</p>

**DIRECTORS' REPORT**

<p><b>Community and environment</b></p>	<p>The directors' relationships on behalf of the company with respect to communities are important for all its activities, but particularly for major new projects where its presence may bring about changes in the local areas.</p> <p>For the company to deliver high quality products and services in an energy efficient and environmentally responsible manner.</p> <p>To conduct business in a manner to minimise negative impact on the surrounding area and be respectful and conscientious of the environment.</p> <p>To take into account the interest of the local community when considering future investments and business decisions.</p>	<p>The company maintains a number of bp group wide policies to promote sustainable and environmentally friendly business and operational practises.</p> <p>The directors engage with local communities through public consultations and meetings with local representatives and complete impact assessments where relevant. The directors also consult with business and industry associations, drawing on their external expertise, input and challenge.</p>	<p>Management and/or, where significant, the Board are provided with updates on the environmental impact of the company's business operations. The information received supports effective decision making by the Board when considering the long term consequences on the environment and local communities.</p> <p>By following and implementing the bp group wide sustainability policy, the company has been able to measure and manage its impact on the community and environment in which it operates.</p>
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**DIRECTORS' REPORT**

<p><b>Shareholder</b></p>	<p>The company is 100% owned by BP Advanced Mobility Limited.</p> <p>The company is committed to maximising long term shareholder value, in whatever form, when taking its decisions.</p>	<p>bp group functions, across Tax, Treasury and Finance, in conjunction with senior management, make recommendations to declare dividends, where relevant, via a thorough feasibility analysis process as part of its System of Internal Control, ensuring the appropriate amount of dividend and associated impact are duly considered.</p> <p>The company reports to its shareholder on a regular basis in the form of its financial statements and, where applicable, its business, strategic plans and key risks.</p>	<p>One of the company's strategic aims is to pursue strategic growth to maximise long term value for its shareholder.</p> <p>The company's compliance with the bp group's System of Internal Control assists the Board when considering whether to declare dividends, the amount of dividend and any associated impact. Specifically, the Board will review relevant internal functional assurance advice notes when considering the declaration of a dividend to its shareholder.</p>
<p><b>Government/Regulators</b></p>	<p>For the company to create valued relationships with Government centred around ethics and transparency, and discuss relevant regulations and guidance where necessary.</p>	<p>The company keeps the Government informed of any significant changes to the company.</p>	<p>Management and/or, where significant, the Board are provided with updates on changes in regulation and/or legislation impacting the company. The information received supports effective decision making by the Board when considering the company's compliance with said regulations and/or legislation.</p> <p>The company continually engages with local government bodies and/or regulators to ensure it is conducting itself in accordance with relevant laws/regulation to ensure its good standing, trust and respect in society and longevity.</p>

**Streamlined Energy & Carbon Reporting (SECR)**

As a UK subsidiary of a UK parent company which prepares a group directors' report, SECR reporting details are included in the strategic report of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

**Auditors**

Pursuant to section 487 of the Companies Act 2006, Deloitte LLP have expressed their willingness to continue in office as auditors and are therefore deemed reappointed as auditors.

**DIRECTORS' REPORT**

**Directors' statement as to the disclosure of information to the auditor**

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of the auditor's report of which the company's auditor is unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of 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 section 418 of the Companies Act 2006.

Authorized for issue on behalf of the Board

DocuSigned by:

*N A Kirton*

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N A Kirton

Director

September 29, 2022

Registered Office:

Breckland  
Linford Wood  
Milton Keynes  
MK146GY  
United Kingdom

**CHARGEMASTER LIMITED**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable UK 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors confirm that they have complied with these requirements. Details of the directors' assessment of going concern are provided in the directors' report.

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF CHARGEMASTER LIMITED**

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

**Opinion**

In our opinion the financial statements of Chargemaster Limited (the company):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

**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 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 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.

**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.

## **INDEPENDENT AUDITOR'S REPORT**

### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, 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 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 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.

### **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 company's industry and its control environment, and reviewed the company'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 company 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 the UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company'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.

As a result of performing the above, we identified the greatest potential for fraud in the occurrence on the sale of charging units, and our specific procedures performed to address it is described below:

- We obtained the evidence of completion of commissioning report to test the occurrence on the sale of charging units.

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, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

**INDEPENDENT AUDITOR'S REPORT**

**Report on other legal and regulatory requirements**

**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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

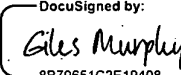
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of these matters.

**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.

DocuSigned by:  
  
8B79651C2E19408  
Giles Murphy FCA (Senior Statutory Auditor)  
**for and on behalf of Deloitte LLP Statutory Auditor**  
London, United Kingdom  
September 29, 2022

**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2021****CHARGEMASTER LIMITED**

		<u>2021</u>	<u>2020</u>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
<b>Turnover</b>	<b>3</b>	26,216	18,075
Cost of sales		<u>(21,882)</u>	<u>(14,694)</u>
<b>Gross profit</b>		4,334	3,381
Administrative expenses		(32,271)	(18,386)
Other operating income	<b>3</b>	—	452
(Loss) / profit on disposal of fixed assets	<b>4</b>	(44)	8
Impairment of fixed asset investments	<b>12</b>	—	(117)
<b>Operating loss</b>	<b>4</b>	<u>(27,981)</u>	<u>(14,662)</u>
Interest receivable and similar income	<b>6</b>	3	11
Interest payable and similar expenses	<b>7</b>	<u>(172)</u>	<u>(379)</u>
<b>Loss before taxation</b>		<u>(28,150)</u>	<u>(15,030)</u>
Tax on loss	<b>8</b>	—	351
<b>Loss for the financial year</b>		<u><u>(28,150)</u></u>	<u><u>(14,679)</u></u>

The loss of £28,150,000 for the year ended 31 December 2021 was derived in its entirety from continuing operations.

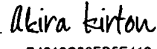
**STATEMENT OF COMPREHENSIVE INCOME****FOR THE FOR THE YEAR ENDED 31 DECEMBER 2021**

There is no comprehensive income attributable to the shareholders of the company other than the loss for the year.

**BALANCE SHEET****AS AT 31 DECEMBER 2021****CHARGEMASTER LIMITED****(Registered No.06720009)**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Intangible assets	10	4,454	3,597
Tangible assets	11	63,926	52,388
Investments	12	1,805	1,805
		<u>70,185</u>	<u>57,790</u>
<b>Current assets</b>			
Stocks	13	12,188	7,932
Debtors - amounts falling due within one year	14	21,139	7,682
Debtors - amounts falling due after one year	14	11	—
Cash at bank and in hand		10,202	8,052
		<u>43,540</u>	<u>23,666</u>
Creditors: amounts falling due within one year	15	(28,613)	(19,630)
Lease liabilities	16	(1,728)	(1,513)
Other provisions	18	(439)	(235)
<b>Net current assets</b>		<u>12,760</u>	<u>2,288</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>82,945</u>	<u>60,078</u>
Lease liabilities	16	(6,250)	(7,407)
<b>NET ASSETS</b>		<u><u>76,695</u></u>	<u><u>52,671</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	120,126	67,952
Share premium account	20	24,871	24,871
Profit and loss account	20	(68,302)	(40,152)
<b>TOTAL EQUITY</b>		<u><u>76,695</u></u>	<u><u>52,671</u></u>

Authorized for issue on behalf of the Board

DocuSigned by:  
  
 B4818C36EB5E412...  
 N A Kirton  
 Director  
 September 29, 2022

**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2021****CHARGEMASTER LIMITED**

	Called up share capital (Note 19)	Share premium account (Note 20)	Profit and loss account (Note 20)	Total
	£000	£000	£000	£000
<b>Balance at 1 January 2020</b>	38,202	24,871	(25,473)	37,600
Loss for the financial year, representing total comprehensive income	—	—	(14,679)	(14,679)
Issue of share capital	29,750	—	—	29,750
<b>Balance at 31 December 2020</b>	67,952	24,871	(40,152)	52,671
Loss for the financial year, representing total comprehensive income	—	—	(28,150)	(28,150)
Issue of share capital	52,174	—	—	52,174
<b>Balance at 31 December 2021</b>	120,126	24,871	(68,302)	76,695

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**CHARGEMASTER LIMITED**

**1. Authorization of financial statements and statement of compliance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)**

The financial statements of Chargemaster Limited for the year ended 31 December 2021 were approved by the board of directors on 29 September 2022 and the balance sheet was signed on the board's behalf by N A Kirton. Chargemaster Limited is a private company, limited by shares incorporated, domiciled and registered in England and Wales (registered number 06720009). The company's registered office is at Breckland, Linford Wood, Milton Keynes, MK146GY, United Kingdom. These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the provisions of the Companies Act 2006.

**2. Significant accounting policies, judgements, estimates and assumptions**

The significant accounting policies and critical accounting judgements, estimates and assumptions of the company are set out below.

**Basis of preparation**

These financial statements have been prepared in accordance with FRS 101. The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

The accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated.

These financial statements are separate financial statements. The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare consolidated financial statements, because it is included in the group financial statements of BP p.l.c. Details of the parent in whose consolidated financial statements the company is included are shown in Note 24 to the financial statements.

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared under the historical cost convention in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework and the Companies Act 2006. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to:

- (a) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
- (b) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - (iii) paragraph 74 A(b) of IAS 16 Property, Plant and Equipment;
  - (iv) paragraph 118(e) of IAS 38 Intangible Assets;
- (c) the requirements of IAS 7 Statement of Cash Flows;
- (d) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in relation to standards not yet effective;
- (e) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- (f) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c)-135(e) of IAS 36, Impairment of Assets;

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Basis of preparation (continued)**

- (h) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (i) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
- (j) the requirement of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- (k) The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- (l) The requirements of paragraph 58 of IFRS 16 Leases, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

Where required, equivalent disclosures are given in the group financial statements of BP p.l.c. The group financial statements of BP p.l.c. are available to the public and can be obtained as set out in Note 24.

The financial statements are presented in Pound Sterling and all values are rounded to the nearest thousand pounds (£000), except where otherwise indicated.

**Significant accounting policies: use of judgements, estimates and assumptions**

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual outcomes could differ from the estimates and assumptions used. The accounting judgements and estimates that have a significant impact on the results of the company are set out within the boxed text below, and should be read in conjunction with the information provided in the Notes to the financial statements.

The areas requiring the most significant judgement and estimation in the preparation of the financial statements are impairment of investments and the recoverability of asset carrying values.

The COVID-19 pandemic, climate change, the energy transition, bp's strategy to 2030 and ambition to become a net-zero company by 2050 or sooner were considered in preparing the bp group consolidated financial statements. These issues are not expected to have significant impacts on the currently reported amounts of the company's assets and liabilities.

**Significant accounting policies****Going concern**

The directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID 19 were considered as part of the going concern assessment.

The company supplies and operates electric vehicle (EV) charging points in the United Kingdom and earns revenue from external customers. The company is in a healthy net assets and net current assets position as at 31 December 2021.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Going concern (continued)**

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis. For further information on financial risk factors, including credit risk and liquidity risk, see page 5.

In assessing the prospects of Chargemaster Limited, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

**Foreign currency**

The functional and presentation currency of the financial statements is Pound Sterling. The functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

As the company is considered to be an intermediate holding company, and therefore an extension of its parent company, its functional currency is the same as its parent company.

Transactions in foreign currencies are initially recorded in the functional currency by applying the rate of exchange ruling at the date of the transaction. Where this is not practical and exchange rates do not fluctuate materially the average rate has been used. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange on the balance sheet date. Any resulting exchange differences are included in the profit and loss account, unless hedge accounting is applied. Non-monetary assets and liabilities, other than those measured at fair value, are not retranslated subsequent to initial recognition.

**Investments**

Fixed asset investments in subsidiaries are held at cost. The company assesses investments for an impairment indicator annually. If any such indication of possible impairment exists, the company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

Where these circumstances have reversed, the impairment previously made is reversed to the extent of the original cost of the investment.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)*****Significant judgements and estimates: impairment of investments***

Determination as to whether, and how much, an investment is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions.

Management judgement is required to determine whether an indicator of potential impairment exists in relation to the company's investments. No such indicators have been identified during the current year and therefore no impairment test has needed to be performed. Accordingly, the recoverable amount of the investment has not needed to be estimated, nor any assumptions made, and no sensitivity analysis has been required. Details of the carrying value of the investments are provided in Note 12.

**Intangible assets**

Intangible assets, other than goodwill, are stated at the amount initially recognized, less accumulated amortization and accumulated impairment losses.

The expected useful lives of assets and the amortization method are reviewed on an annual basis and, if necessary, changes in useful lives or the amortization method are accounted for prospectively.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

***Development expenditure***

Expenditure on the development of charger units and software, is capitalized within intangible assets. As part of the annual review, the estimated useful life of the asset was changed from 10 years to 4 years during the year.

**Tangible assets**

Tangible assets owned by the company are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, and, for assets that necessarily take a substantial period of time to get ready for their intended use, directly-attributable finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset that was separately depreciated is replaced and it is probable that future economic benefits associated with the item will flow to the company, the expenditure is capitalized and the carrying amount of the replaced asset is derecognized. Inspection costs associated with major maintenance programmes are capitalized and amortized over the period to the next inspection. Overhaul costs for major maintenance programmes, and all other maintenance costs are expensed as incurred.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Tangible assets (continued)**

Tangible assets are depreciated on a straight-line basis or reducing balance over their expected useful lives. The typical useful lives of the company's tangible assets are as follows:

**Leasehold improvements**

Leasehold improvements 5 years straight-line basis

Leasehold property 48 years straight-line basis

**Plant and equipment**

Plant and equipment 4 to 7 years reducing balance basis

**Motor vehicles**

Motor vehicles 3 to 5 years reducing balance basis

**pulse estate**

Property - The pulse

Network 10 years straight-line basis

**Office equipment**

Computer equipment 2 to 5 years reducing balance basis

Furniture and fittings 2 to 15 years reducing balance basis

The expected useful lives and depreciation method of tangible assets are reviewed on an annual basis and, if necessary, changes in useful lives or the depreciation method are accounted for prospectively.

The carrying amounts of tangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of tangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss account in the period in which the item is derecognized.

**Impairment of intangible and tangible assets**

The company assesses assets or groups of assets, called cash-generating units (CGUs) for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If any such indication of impairment exists, the company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. If it is probable that the value of the CGU will primarily be recovered through a disposal transaction, the expected disposal proceeds are considered in determining the recoverable amount. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

The business segment plans, which are approved on an annual basis by senior management, are the primary source of information for the determination of value in use. They contain forecasts for revenues, costs and capital expenditure. Carbon taxes and costs of emissions allowances are also included in estimates of future cash flows, based on the regulatory environment in each jurisdiction in which the group operates. As an initial step in the preparation of these plans, various assumptions regarding market conditions, such as oil prices, natural gas prices, refining margins, refined product margins and cost inflation rates are set by senior management. These assumptions take account of existing prices, global supply-demand equilibrium for oil and natural gas, other macroeconomic factors and historical trends and variability. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group that are not reflected in the discount rate and are discounted to their present value typically using a pre-tax discount rate that reflects current market assessments of the time value of money.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Impairment of intangible and tangible assets (continued)**

Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. In limited circumstances where recent market transactions are not available for reference, discounted cash flow techniques are applied. Where discounted cash flow analyses are used to calculate fair value less costs of disposal, estimates are made about the assumptions market participants would use when pricing the asset, CGU or group of CGUs containing goodwill and the test is performed on a post-tax basis.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

***Significant judgements and estimates: recoverability of asset carrying values***

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Determination as to whether, and how much, an asset, CGU, or group of CGUs containing goodwill is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, capital expenditure and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions. Judgement is required when determining the appropriate grouping of assets into a CGU or the appropriate grouping of CGUs for impairment testing purposes. Alternative groupings of assets or CGUs may result in a different outcome from impairment testing.

The recoverable amount of an asset is the higher of its value in use and its fair value less costs of disposal. Fair value less costs of disposal may be determined based on expected sales proceeds or similar recent market transaction data.

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Details of the carrying amounts of assets are shown in Note 10 and Note 11.

**Stocks**

Stocks are valued at the lower of cost on a weighted average basis and net realizable value.

**Leases**

Agreements that convey the right to control the use of an identified asset for a period of time in exchange for consideration are accounted for as leases. The right to control is conveyed if bp has both the right to obtain substantially all of the economic benefits from, and the right to direct the use of, the identified asset throughout the period of use. An asset is identified if it is explicitly or implicitly specified by the agreement and any substitution rights held by the lessor over the asset are not considered substantive.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Leases (continued)**

A lease liability is recognized on the balance sheet on the lease commencement date at the present value of future lease payments over the lease term. The discount rate applied is the rate implicit in the lease if readily determinable, otherwise an incremental borrowing rate is used. The incremental borrowing rate is determined based on factors such as the group's cost of borrowing, lessee legal entity credit risk, currency and lease term. The lease term is the non-cancellable period of a lease together with any periods covered by an extension option that bp is reasonably certain to exercise, or periods covered by a termination option that bp is reasonably certain not to exercise. The future lease payments included in the present value calculation are any fixed payments, payments that vary depending on an index or rate, payments due for the reasonably certain exercise of options and expected residual value guarantee payments.

Payments that vary based on factors other than an index or a rate such as usage, sales volumes or revenues are not included in the present value calculation and are recognized in the income statement. The lease liability is recognized on an amortized cost basis with interest expense recognized in the income statement over the lease term, except where capitalized as development expenditure.

The right-of-use asset is recognized on the balance sheet as property, plant and equipment at a value equivalent to the initial measurement of the lease liability adjusted for lease prepayments, lease incentives, initial direct costs and any restoration obligations. The right-of-use asset is depreciated typically on a straight-line basis, over the lease term. The depreciation charge is recognized in the income statement except where capitalized as development expenditure. Right-of-use assets are assessed for impairment in line with the accounting policy for impairment of property, plant and equipment, intangible assets, and goodwill.

Agreements may include both lease and non-lease components. Payments for lease and non-lease components are allocated on a relative stand-alone selling price basis.

If the lease term at commencement of the agreement is less than 12 months, a lease liability and right-of-use asset are not recognized, and a lease expense is recognized in the income statement on a straight-line basis.

If a significant event or change in circumstances, within the control of bp, arises that affects the reasonably certain lease term or there are changes to the lease payments, the present value of the lease liability is remeasured using the revised term and payments, with the right-of use asset adjusted by an equivalent amount.

Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right-of-use asset. Any gain or loss on modification is recognized in the income statement. Modifications that increase the scope of the lease at a price commensurate with the stand-alone selling price are accounted for as a separate new lease.

The company recognizes the full lease liability, rather than its working interest share, for leases entered into on behalf of a joint operation if the company has the primary responsibility for making the lease payments. In such cases, the company's working interest share of the right-of-use asset is recognized if it is jointly controlled by the company and the other joint operators, and a receivable is recognized for the share of the asset transferred to the other joint operators. If the company is a non-operator, a payable to the operator is recognized if they have the primary responsibility for making the lease payments and the company has joint control over the right-of-use asset, otherwise no balances are recognized.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Financial assets**

Financial assets are recognized initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification, as set out below. The company derecognizes financial assets when the contractual rights to the cash flows expire or the rights to receive cash flows have been transferred to a third party along with either substantially all of the risks and rewards or control of the asset. This includes the derecognition of receivables for which discounting arrangements are entered into.

The company classifies its financial assets as measured at amortized cost or fair value through profit or loss. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

***Financial assets measured at amortized cost***

Financial assets are classified as measured at amortized cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortized cost. This category of financial assets includes trade and other receivables.

**Impairment of financial assets measured at amortized cost**

The company assesses on a forward-looking basis the expected credit losses associated with financial assets classified as measured at amortized cost at each balance sheet date. Expected credit losses are measured based on the maximum contractual period over which the company is exposed to credit risk. As lifetime expected credit losses are recognized for trade receivables and the tenor of substantially all other in-scope financial assets is less than 12 months there is no significant difference between the measurement of 12-month and lifetime expected credit losses for the company. The measurement of expected credit losses is a function of the probability of default, loss given default and exposure at default. The expected credit loss is estimated as the difference between the asset's carrying amount and the present value of the future cash flows the company expects to receive, discounted at the financial asset's original effective interest rate. The carrying amount of the asset is adjusted, with the amount of the impairment gain or loss recognized in the profit and loss account.

A financial asset or group of financial assets classified as measured at amortized cost is considered to be credit-impaired if there is reasonable and supportable evidence that one or more events that have a detrimental impact on the estimated future cash flows of the financial asset (or group of financial assets) have occurred. Financial assets are written off where the company has no reasonable expectation of recovering amounts due.

**Financial liabilities**

The measurement of financial liabilities is as follows:

***Financial liabilities measured at amortized cost***

Financial liabilities are initially recognized at fair value, net of directly attributable transaction costs. For interest-bearing loans and borrowings this is typically equivalent to the fair value of the proceeds received net of issue costs associated with the borrowing.

After initial recognition, these financial liabilities are subsequently measured at amortized cost. This category of financial liabilities includes trade and other payables and finance debt.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Offsetting of financial assets and liabilities**

Financial assets and liabilities are presented gross in the balance sheet unless both of the following criteria are met: the company currently has a legally enforceable right to set off the recognized amounts; and the company intends to either settle on a net basis or realize the asset and settle the liability simultaneously. If both of the criteria are met, the amounts are set off and presented net. A right of set off is the company's legal right to settle an amount payable to a creditor by applying against it an amount receivable from the same counterparty. The relevant legal jurisdiction and laws applicable to the relationships between the parties are considered when assessing whether a current legally enforceable right to set off exists.

**Provisions and contingent liabilities**

Provisions are recognized when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where appropriate, the future cash flow estimates are adjusted to reflect the risks specific to the liability.

Warranty provision, which usually lasts a period of one to three years in which the company is obligated to repair certain faults 'free of charge' over the warranty period. A provision for such potential costs has been included in the financial statements where it relates to replacement parts but has not been included where it relates to labour costs on the grounds that the company already recognises an on-going cost in relation to personnel in full time employment by the company, solely for the purpose of conducting any maintenance and repairs which might be required.

**Employee benefits**

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the company.

**Taxation**

Income tax expense represents the sum of current tax and deferred tax.

Income tax is recognized in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or directly in equity.

Current tax is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it is determined in accordance with the rules established by the applicable taxation authorities. It therefore excludes items of income or expense that are taxable or deductible in other periods as well as items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided, using the balance sheet method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

- Where the deferred tax liability arises on the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, where the company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Taxation (continued)**

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. An exception is where the deferred tax asset relates to the deductible temporary difference arising from the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction, does not give rise to equal taxable and deductive temporary differences.

In respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable or increased to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

Where tax treatments are uncertain, if it is considered probable that a taxation authority will accept the company's proposed tax treatment, income taxes are recognized consistent with the company's income tax filings. If it is not considered probable, the uncertainty is reflected within the carrying amount of the applicable tax asset or liability using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

**Sales taxes**

Sales taxes that are passed on or charged to customers are excluded from turnover and expenses. Assets and liabilities are recognized net of the amount of sales tax except:

- Sales taxes incurred on the purchase of goods and services which are not recoverable from the taxation authority are recognized as part of the cost of acquisition of the asset.
- Receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included within receivables or payables in the balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS****2. Significant accounting policies, judgements, estimates and assumptions (continued)****Turnover**

Revenue from contracts with customers is recognized when or as the company satisfies a performance obligation by transferring control of a promised good or service to a customer. The transfer of control of goods usually coincides with title passing to the customer and the customer taking physical possession. Revenue is recognized when the service is performed, in accordance with the terms of the contractual arrangements and in the accounting period in which the services are rendered.

When, or as, a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the company expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised.

**Interest income**

Interest income is recognized as the interest accrues.

**Development costs**

Development costs for internally developed intangible assets are expensed as incurred unless all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale.
- There is an intention and the ability to complete, and use or sell, the intangible asset.
- It can be demonstrated how the intangible asset will generate probable future economic benefits.
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available.
- The expenditure attributable to the intangible asset during its development can be reliably measured.

These costs are capitalized as an intangible asset. As part of the annual review, the estimated useful life of the asset was changed from 10 years to 4 years during the year.

**Finance costs**

All finance costs are recognized in the profit and loss account in the period in which they are incurred.

**Updates to significant accounting policies****Impact of new International Financial Reporting Standards**

by adopted amendments to IFRS 9 "financial instruments - Interest Rate Benchmark Reform (Phase II)", IFRS 16 "Leases" with effect from 1 January 2021. There are no other new or amended standards or interpretations adopted during the year that have a significant impact on the company's financial statements.

The adoption of 'Interest Rate Benchmark Reform – Phase II' – Amendments to IFRS 9 'Financial instruments', IFRS 16 'Leases' has had no material impact on the company's financial statements.

**NOTES TO THE FINANCIAL STATEMENTS****3. Turnover**

An analysis of the company's turnover is as follows:

	2021	2020
	£000	£000
Revenue from contracts with customers	26,216	18,075
	<u>26,216</u>	<u>18,075</u>
Other operating income	—	452
Interest receivable and similar income (Note 6)	3	11
	<u>26,219</u>	<u>18,538</u>

An analysis of turnover by class of business is set out below:

	2021	2020
	£000	£000
Class of business:		
Customers & products		
Homecharge	7,747	7,952
Commercial	10,096	5,435
Services	8,373	4,688
Total	<u>26,216</u>	<u>18,075</u>

An analysis of turnover by geographical market is set out below:

	2021	2020
	£000	£000
By geographical area:		
UK	26,099	17,942
Rest of Europe	104	16
Rest of World	13	117
Total	<u>26,216</u>	<u>18,075</u>

**4. Operating loss**

This is stated after charging / (crediting):

	2021	2020
	£000	£000
Net foreign exchange (gains) / losses <sup>a</sup>	(155)	8
Amortization of intangible assets <sup>a</sup>	2,703	902
Depreciation of tangible assets <sup>a</sup>	3,616	2,109
Depreciation of right-of-use assets <sup>a</sup>	1,551	1,367
Impairment of investments <sup>a</sup>	—	117
Cost of stock recognized as an expense <sup>b</sup>	21,891	13,879
Loss / (profit) on disposal of fixed assets	44	(8)

<sup>a</sup> Amount is included in Administrative expenses.

<sup>b</sup> Amount is included in Cost of sales.

**NOTES TO THE FINANCIAL STATEMENTS****5. Auditor's remuneration**

	2021	2020
	£000	£000
Fees for the audit of the company	127	74

Fees paid to the company's auditor, Deloitte LLP and its associates for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements of Chargemaster Limited's ultimate parent, BP p.l.c., are required to disclose non-audit fees on a consolidated basis.

**6. Interest receivable and similar income**

	2021	2020
	£000	£000
Bank interest receivable	3	11

**7. Interest payable and similar expenses**

	2021	2020
	£000	£000
Interest expense on lease liabilities	172	379

**8. Taxation**

The company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2010.

The taxation charge in the profit and loss account is made up as follows:

	2021	2020
	£000	£000
<u>Current tax</u>		
UK corporation tax on income for the year	—	31
Total current tax charged	—	31
<u>Deferred tax</u>		
Origination and reversal of temporary differences	—	(382)
Total deferred tax charged / (credited)	—	(382)
Tax charged on loss	—	(351)

**(a) Reconciliation of the effective tax rate**

The tax assessed on the loss for the year is lower than the standard rate of corporation tax in the UK of 19% for the year ended 31 December 2021 (2020 19%). The differences are reconciled below:

	2021	2020
	£000	£000
Loss before taxation	(28,150)	(15,030)
Tax charge	—	(351)
Effective tax rate	— %	2 %

**NOTES TO THE FINANCIAL STATEMENTS****8. Taxation (continued)****(a) Reconciliation of the effective tax rate (continued)**

	2021	2020
	%	%
UK statutory corporation tax rate:	19	19
Decrease resulting from:		
Non-deductible expenditure	—	(1)
Free group relief	(15)	(15)
Movements in unrecognised deferred tax	(4)	(1)
Effective tax rate	<u>—</u>	<u>2</u>

**Change in corporation tax rate**

On 3 March 2021, the UK Government announced an increase in the UK's main corporation tax rate from 19% to 25%, effective from 1 April 2023. On 23 September 2022, the Chancellor of the Exchequer announced that the planned corporation tax rate change to 25% would no longer be implemented and that the main rate would remain at 19%. This change has yet to be substantively enacted. As the company has not recognised a deferred tax asset at the balance sheet date, the impact of this rate change has not been calculated.

**(b) Provision for deferred tax**

The deferred tax included in the profit and loss account and balance sheet is as follows:

	Profit and loss account		Balance sheet	
	2021	2020	2021	2020
<u>Deferred tax asset</u>	£000	£000	£000	£000
Tax losses carried forward	—	3,046	—	(857)
Other deductible temporary differences	—	(83)	—	(131)
Net credit for deferred tax assets	<u>—</u>	<u>2,963</u>	<u>—</u>	<u>(988)</u>

	Profit and loss account		Balance sheet	
	2021	2020	2021	2020
<u>Deferred tax liability</u>	£000	£000	£000	£000
Accelerated capital allowances	—	(3,345)	—	988
Net charge for deferred tax liabilities	—	(3,345)	—	988
Net deferred tax charge and net deferred tax liability	<u>—</u>	<u>(382)</u>	<u>—</u>	<u>—</u>

**Analysis of movements during the year**

	2021
	£000
At 1 January 2021	—
Deferred tax charge in the profit and loss account	—
At 31 December 2021	<u>—</u>

**NOTES TO THE FINANCIAL STATEMENTS****8. Taxation (continued)**

Deferred tax has not been recognised on deductible temporary differences in relation to fixed assets of £592,481, other deductible temporary differences of £164,050 and tax losses of £7,109,502 with no fixed expiry date on the basis that they are UK tax attributes that are not expected to give rise to any future tax benefit.

**9. Directors and employees****(a) Remuneration of directors**

A number of directors are senior executives of the BP p.l.c. Group and received no remuneration for qualifying services to this company.

The following details relate to the directors who received remuneration for their qualifying services to the company and so are in scope for this disclosure.

The total remuneration for these qualifying directors for their period of directorship to the company amounted to £364,000 (2020 £100,000). None of these directors received non-cash benefits in relation to qualifying services.

Two of these qualifying directors were members of the defined benefit section of the BP Pension Fund at 31 December 2021 (2020 None).

Of these qualifying directors, the highest paid director received £161,000 (2020 £Nil). The accrued pension of the highest paid director at 31 December 2021 was £Nil (2020 £Nil). The highest paid director received no contributions to a money purchase pension scheme during the year.

None of the qualifying directors exercised share options over BP p.l.c. shares during the year (2020 None).

**(b) Employee costs**

	2021	2020
	£000	£000
Wages and salaries	14,697	10,379
Social security costs	1,257	791
Other pension costs	219	160
	<u>16,173</u>	<u>11,330</u>

The employee costs noted above relate to those employees with contracts of employment in the name of Chargemaster Limited. These costs are borne by Chargemaster Limited.

Included in other pension costs are £219,000 (2020 £160,000) in respect of defined contribution schemes.

**(c) The average monthly number of employees during the year was 397 (2020 353).**

	2021	2020
	No.	No.
Management	3	7
Administration	305	248
Technical	89	98
	<u>397</u>	<u>353</u>

**NOTES TO THE FINANCIAL STATEMENTS****10. Intangible assets**

	<b>Development costs</b>
<b>Cost</b>	<b>£000</b>
At 1 January 2021	8,243
Additions	—
Disposals	(74)
Transfers from tangible assets	4,388
Impairment	(918)
At 31 December 2021	<u>11,639</u>
<b>Amortization</b>	
At 1 January 2021	4,646
Disposals	(26)
Charge for the year	2,703
Impairment	(138)
At 31 December 2021	<u>7,185</u>
<b>Net book value</b>	
At 31 December 2021	<u>4,454</u>
At 31 December 2020	<u>3,597</u>

**NOTES TO THE FINANCIAL STATEMENTS****11. Tangible assets**

	Buildings		Plant and equipment	Motor vehicles		pulse estate		Office equipment	Total	Of which AUC <sup>a</sup>
	Leasehold improvements	Right-of-use		Owned assets	Right-of-use	Owned assets	Right-of-use			
Cost	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 January 2021	2,575	6,799	422	2,615	885	42,797	3,374	1,364	60,831	24,220
Additions	—	246	240	600	997	18,757	—	372	21,212	18,757
Disposals	—	—	—	(35)	—	—	—	—	(35)	—
Write-off	(37)	—	—	—	—	(108)	—	(54)	(199)	(108)
Transfers	380	—	—	(380)	—	(4,388)	—	—	(4,388)	(12,018)
At 31 December 2021	2,918	7,045	662	2,800	1,882	57,058	3,374	1,682	77,421	30,851
At 1 January 2021	(156)	(1,315)	(218)	(1,162)	(528)	(3,240)	(1,373)	(451)	(8,443)	—
Charge for the year	(244)	(779)	(104)	(756)	(385)	(2,151)	(387)	(361)	(5,167)	—
Disposals	—	—	—	35	—	—	—	—	35	—
Write-off	37	—	—	—	—	—	—	43	80	—
Transfers	(266)	—	—	266	—	—	—	—	—	—
At 31 December 2021	(629)	(2,094)	(322)	(1,617)	(913)	(5,391)	(1,760)	(769)	(13,495)	—
<b>Total net book value</b>										
At 31 December 2021	2,289	4,951	340	1,183	969	51,667	1,614	913	63,926	30,851
At 31 December 2020	2,419	5,484	204	1,453	357	39,557	2,001	913	52,388	24,220

<sup>a</sup> AUC = assets under construction. Assets under construction are not depreciated. Within the additions under Asset under Construction, there is £5,146,000 of development expenditure relating to development projects.

**NOTES TO THE FINANCIAL STATEMENTS****12. Investments**

	<u>Investment in subsidiaries</u>
<b>Cost</b>	<b>£000</b>
At 1 January 2020	2,370
Additions	117
At 31 December 2020	<u>2,487</u>
At 1 January 2021	<u>2,487</u>
At 31 December 2021	<u>2,487</u>
<b>Impairment losses</b>	
At 1 January 2020	565
Charge for the year	117
At 31 December 2020	<u>682</u>
At 1 January 2021	<u>682</u>
At 31 December 2021	<u>682</u>
<b>Net book amount</b>	
At 31 December 2021	<u>1,805</u>
At 31 December 2020	<u>1,805</u>

The investments in subsidiaries are all stated at cost less provision for impairment.

The investments in the subsidiary undertakings are unlisted.

In the previous year, the carrying value of the investment in subsidiary, Aral Pulse (formerly known as Chargemaster (Europe) GMBH) of £117,117 was provided in full as its carrying value in the subsidiary undertaking exceeded its recoverable amount and has been recognised in the profit and loss as of 31 December 2020.

The subsidiary undertakings of the company at 31 December 2021 and the percentage of equity capital held are set out below. The principal country of operation is generally indicated by the company's country of incorporation or by its name.

All voting rights are equal to percentage of share capital owned unless otherwise noted below.

**NOTES TO THE FINANCIAL STATEMENTS****12. Investments (continued)****Subsidiary undertakings**

Company name	Class of share held	%	Registered address	Principal activity
Elektromotive Limited	Ordinary shares	100	Breckland Linford Wood Milton Keynes MK146GY United Kingdom	Investment holding
Aral Pulse (formerly known as Chagemaster (Europe) GMBH)	Ordinary shares	100	Bischof-von-Henle-Straße 2a Regensburg 93051 Deutschland	Supply and installation of charge points
Charging Solutions Limited	Ordinary shares	100	55 Baker Street London W1U 7EU United Kingdom	In liquidation

**13. Stocks**

	2021	2020
	£000	£000
Raw materials and consumables	6,284	3,644
Work in progress	2,112	1,051
Finished goods and goods for resale	3,792	3,237
	<u>12,188</u>	<u>7,932</u>

The difference between the carrying value of stocks and their replacement cost is not material.

**14. Debtors**

Amounts falling due within one year:

	2021	2020
	£000	£000
Trade debtors	6,912	3,248
Amounts owed from fellow subsidiaries	7,276	1,011
Other debtors	1,306	691
Prepayments and accrued income	2,437	2,044
Contract assets	3,208	688
	<u>21,139</u>	<u>7,682</u>

Amounts falling due after one year:

	2021	2020
	£000	£000
Other debtors	11	—
	<u>11</u>	<u>—</u>
Total debtors	<u>21,150</u>	<u>7,682</u>

**NOTES TO THE FINANCIAL STATEMENTS****14. Debtors (continued)**

Trade and other receivables are non-interest bearing.

Contract assets relates to the balances due from customers against the contracts for the installation of charging points. Payment for installation of charging point is not due from the customer until the installation services are completed and therefore a contract asset is recognised over the period in which the installation services are performed to represent the company's right to consideration for the services transferred to date.

**15. Creditors**

Amounts falling due within one year:

	<u>2021</u>	<u>2020</u>
	£000	£000
Trade creditors	4,636	721
Amounts owed to fellow subsidiaries	2,306	5,091
Other creditors	81	62
Other taxes and social security costs	709	619
Accruals	14,584	9,038
Deferred income	6,297	4,099
	<u>28,613</u>	<u>19,630</u>

Materially all of the company's trade payables have payment terms in the range of 30 to 60 days and give rise to operating cash flows.

**16. Obligations under leases**

Loans repayable and obligations under leases are analysed as follows:

Within 1 year

	<u>2021</u>	<u>2020</u>
	Lease liabilities	Lease liabilities
	£000	£000
Not wholly repayable	<u>1,728</u>	<u>1,513</u>

After 1 year

	<u>2021</u>	<u>2020</u>
	Lease liabilities	Lease liabilities
	£000	£000
Not wholly repayable	<u>6,250</u>	<u>7,407</u>

**NOTES TO THE FINANCIAL STATEMENTS****17. Leases**

The company leases a number of assets as part of its activities. The leases are negotiated for an average term of 3 years (2020 3 years).

The company may enter into lease arrangements a number of years before taking control of the underlying asset due to construction lead times or to secure future operational requirements. The total undiscounted amount for future commitments for leases not yet commenced as at 31 December 2021 is £Nil (2020 £Nil).

	<u>2021</u>	<u>2020</u>
	£000	£000
Additions to right-of-use assets in the period	1,243	5,600
Total cash outflow for amounts included in lease liabilities <sup>a</sup>	<u>1,612</u>	<u>1,974</u>

<sup>a</sup> The cash outflows for amounts not included in lease liabilities approximate the income statement expense disclosed above.

An analysis of right-of-use assets and depreciation is provided in Note 11. An analysis of lease interest expense is provided in Note 7.

**18. Other provisions**

	<u>Warranty</u>
	£000
At 1 January 2021	235
Charged to profit and loss account	231
Utilization	(27)
At 31 December 2021	<u>439</u>
At 31 December 2021	<u>439</u>
At 31 December 2020	<u>235</u>

Warranty provision arises when the company is obligated to repair certain faults 'free of charge' over the warranty period. A provision for such potential costs has been included in the financial statements where it relates to replacement parts but has not been included where it relates to labour costs on the grounds that the company already recognises an on-going cost in relation to personnel in full time employment by the company.

**19. Called up share capital**

	<u>2021</u>	<u>2020</u>
	£000	£000
Issued and fully paid:		
3,003,148,424 (2020 1,698,800,598) ordinary shares of £0.04 each for a total nominal value of £120,125,937 (2020 £67,952,024)	120,126	67,952
	<u>120,126</u>	<u>67,952</u>

On 18 May 2021, 1,304,347,826 ordinary shares of £0.04 each for a total nominal value of £52,173,913 were allotted to the parent company at par value.

**NOTES TO THE FINANCIAL STATEMENTS**

**20. Reserves**

*Called up share capital*

The balance on the called up share capital account represents the aggregate nominal value of all ordinary shares in issue.

*Share premium account*

The balance on the share premium account represents the amounts received in excess of the nominal value of the ordinary shares.

*Profit and loss account*

The balance held on this reserve is the accumulated losses of the company.

**21. Capital commitments**

Authorized and contracted future capital expenditure (excluding right-of-use assets) by the company for which contracts had been placed but not provided in the financial statements is estimated at £8,569,325.

**22. Related party transactions**

The company has taken advantage of the exemption contained within paragraphs 8(k) and (j) of FRS 101, and has not disclosed transactions entered into with wholly-owned group companies or key management personnel. There were no other related party transactions in the year.

**23. Post balance sheet events**

On 11 January 2022, the company disposed of its entire interest in Aral Pulse (formerly known as Chargemaster (Europe) GMBH) to BP Europa SE for a total consideration of EUR25,000 (equivalent to £20,964).

In March 2022, the parent company approved a capital injection of up to £70,000,000 in exchange for shares in the company.

On 21 March 2022, 500,000,000 ordinary shares of £0.04 each for a total nominal value of £20,000,000 were allotted to the parent company.

On 27 June 2022, 500,000,000 ordinary shares of £0.04 each for a total nominal value of £20,000,000 were allotted to the parent company.

On 9 March 2022, the subsidiary of the company, Charging Solutions Limited, was dissolved following liquidation.

**24. Immediate and ultimate controlling parent undertaking**

The immediate parent undertaking is BP Advanced Mobility Limited, a company registered in England and Wales. The ultimate controlling parent undertaking is BP p.l.c., a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of BP p.l.c. can be obtained from its registered address: 1 St James's Square, London, SW1Y 4PD.