Hyder Consulting PLC

Annual Report and Financial Statements for the period ended 31 December 2014

Hyder

Registered office
Manning House
22 Carlisle Place
London
United Kingdom
SW1P 1JA

Registered no.: 00768087

Contents

Directors

A Thomas (resigned 5 August 2014)
E Astall (resigned 24 October 2014)
J Hume (resigned 24 October 2014)
K Taylor (resigned 24 October 2014)
P Withers (resigned 24 October 2014)
N McArthur (appointed 24 October 2014)
R Vree (appointed 24 October 2014)
S Ritter (appointed 24 October 2014)
ID Catto (resigned 28 February 2015)
RP Down (resigned 28 February 2015)

Company Secretary

N Hunt

Registered Office

Manning House
22 Carlisle Place
London
United Kingdom
SW1P 1JA

Solicitors

Wragge Lawrence Graham & Co LLP
55 Colmore Row
Birmingham
B3 2AS

The directors have pleasure in presenting their annual report to shareholders, together with the audited financial statements of Hyder Consulting PLC (the 'company') for the period ended 31 December 2014 on pages 7 to 17.

Principal Activities

The company is an intermediate holding company of a group engaged in the business of engineering and environmental consulting.

Results

The loss for the financial period amounted to £8,000k (year ended 31 March 2014: profit £381k). After distributions to shareholders and credits to shareholders' funds, a loss of £9,688k (year ended 31 March 2014: £4,818k) has been transferred to reserves.

Business Review and Future Developments

During the period, the company was acquired by ARCADIS UK Investments BV, a wholly owned subsidiary of ARCADIS NV, a company registered in The Netherlands.

The directors deem that the investments held by the company are in line with the objectives of the ARCADIS NV. The directors expect that the company will continue to be an intermediate holding company within the ARCADIS group.

Accounting reference date

During the reporting period, the accounting reference date of the company changed from 31 March to 31 December. This was done in order to bring the company in line with the accounting reference date of other ARCADIS group entities. These financial statements have therefore been prepared for the shortened period 1 April 2014 to 31 December 2014.

Key Performance Indicators

Given the straight forward nature of the business, the company directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development of the business.

Financial Risk Management

The company's operations expose it to financial risks that include the effect of foreign exchange movements and interest rate cash flow risk. The company has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the company by monitoring exposure to foreign exchange.

Given the size of the company, the directors do not delegate the responsibility of monitoring financial risk management to a sub-committee of the board.

Interest Rate Cash Flow Risk

The company has interest bearing assets. Interest bearing assets comprise loans to other companies in the ARCADIS group and cash balances, which earn interest at fixed and floating rates. Overall interest rate management is managed by ARCADIS finance who revisit the appropriateness of the group's policy as the group and constituent companies' operations change in size and nature.

Directors

The directors of the company who were in office during the period up to the date of signing the financial statements were:

A Thomas (resigned 5 August 2014)
E Astall (resigned 24 October 2014)
J Hume (resigned 24 October 2014)
K Taylor (resigned 24 October 2014)
P Withers (resigned 24 October 2014)
N McArthur (appointed 24 October 2014)
R Vree (appointed 24 October 2014)
S Ritter (appointed 24 October 2014)
ID Catto (resigned 28 February 2015)
RP Down (resigned 28 February 2015)

Directors' Service Contracts
The directors do not have service contracts which are terminable by the company on more than twelve months' notice.

Charitable donations
During the period the company made charitable donations of £55k (year ended 31 March 2014: £62k). The company supported five charities in the period, including Engineering Aid Australia, Sowers International, Ingenieure Ohne Grenzen, Alzheimers Research and the Philippine Community Fund.

Independent Auditors

So far as each of the directors are aware, there is no relevant audit information (that is information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and each of the directors has taken all steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the company's auditors are aware of that information.

Dividend
An ordinary dividend of £3,282k was paid during the period (year ended 31 March 2014: £4,809k).

Policy on the payment of creditors
It is company policy to comply with the terms of payment agreed with suppliers. Where payment terms are not negotiated the company endeavours to adhere to the suppliers' standard terms.

Exemption
The company is a wholly-owned subsidiary of Arcadis NV and is included in the consolidated financial statements of Arcadis NV which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

By order of the board

R Vree
Director
29 June 2015
Registered company 00768087

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors consider that this Annual Report and Financial Statements, taken as a whole, are fair balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

As the Company meets the qualifying conditions under section 382 of the Companies Act 2006 ("the Act"), the Directors have taken advantage of the exemption provided in sections 414B (as incorporated into the Act by the Strategic Report and Directors' Report Regulations 2013) and 415A of the Act for the preparation of a Strategic Report.

Report on the Financial Statements

Our Opinion

In our opinion, Hyder Consulting PLC's financial statements (the "financial statements"):
- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the nine month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Hyder Consulting PLC's financial statements comprise:
- Balance sheet as at 31 December 2014;
- Profit and loss account for the period then ended;
- Reconciliation of movements in shareholders' funds for the period then ended ;
- the principal accounting policies; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report..

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What the audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Jonathan Hook (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 **June 2015**

Hyder Consulting PLC
Profit and loss account and reconciliation of movements in shareholders' funds for the period ended 31 December 2014

Profit and loss account for the period ended 31 December 2014

	Note	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Net operating loss before exceptional items	1	**(2,469)**	(3,242)
Exceptional items	3	**(5,676)**	-
Net operating loss		**(8,145)**	(3,242)
Income from shares in group undertakings		**-**	3,000
Interest receivable and similar income	4	**331**	396
Interest payable and similar charges	4	**(522)**	(511)
Loss on ordinary activities before taxation		**(8,336)**	(357)
Tax on loss on ordinary activities	5	**336**	738
(Loss)/profit for the financial period / year	13	**(8,000)**	381

All activities are continuing.

Reconciliation of movements in shareholders' funds for the period ended 31 December 2014

	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
(Loss)/ profit for the financial period / year	**(8,000)**	381
Dividends	**(3,282)**	(4,809)
	(11,282)	(4,429)
Issue of ordinary shares	**9**	14
Premium on issue of ordinary shares	**205**	357
Purchase of own shares	**-**	(875)
Share based payments	**1,380**	115
Net change in shareholders' funds	**(9,688)**	(4,818)
Shareholders' funds at 1 April 2014 and 2013	**40,064**	44,882
Shareholders' funds at 31 December 2014 (prior year 31 March 2014)	**30,376**	40,064

There is no material difference between the loss on ordinary activities before taxation and the (loss)/profit for the financial period/year stated above and their historical costs equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

Hyder Consulting PLC
Balance sheet as at 31 December 2014

	Note	31 December 2014 £'000	31 March 2014 £'000
Fixed assets			
Tangible assets	6	**184**	212
Investments	7	**14,676**	14,676
		14,860	14,888
Current assets			
Debtors	8	**32,658**	27,254
Cash at bank and in hand		**6,198**	(793)
		38,856	26,461
Current liabilities			
Creditors: amounts falling due within one year	9	**(23,339)**	(1,285)
		(23,339)	(1,285)
Net current assets		**15,517**	25,176
Total assets less current liabilities		**30,377**	40,064
Capital and reserves			
Called up share capital	10	**3,900**	3,891
Share premium account	11	**30,621**	30,416
Other reserves	12	**80**	(932)
Profit and loss account	13	**(4,224)**	6,689
Total shareholders' funds		**30,377**	40,064

The Financial Statements on pages 7 to 17 were approved by the board of directors and were signed on its behalf by:

R Vree
Director
29 June 2015
Registered company 00768087

The Financial Statements have been prepared in accordance with Accounting Standards applicable in the United Kingdom and comply with the Companies Act 2006 and SI 2008 No.409 for small companies. A summary of the principal accounting policies, which have been consistently applied, is set out below.

Basis of accounting

These Financial Statements have been prepared on a going concern basis in accordance with the historical cost convention, except for the recognition of derivative financial instruments detailed below.

Cash flow statement

The company has taken exemption under Financial Reporting Standard ("FRS") 1 "Cash Flow Statements" (revised) not to produce a cash flow statement. The results are included in the consolidated financial statements of Arcadis NV, which are publicly available.

Dividends

Dividends payable are recognised as a liability in the accounting period they are approved by the company's shareholders.

Share based payments

Equity settled share based incentives are provided to employees under the Hyder Consulting PLC Executive Share Option Scheme 2002 and the Hyder Consulting PLC 2006 Long Term Incentive Plan. Equity settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight line basis over the vesting period, based on the group's estimate of shares that will eventually vest.

Fair value for options with non-market performance conditions is measured by using the Black-Scholes option pricing model which the directors believe to be the most suitable calculation technique. The expected life used in the model is based on management's best estimate taking account of employees' behaviour. Options with market-related performance conditions are measured using the Monte Carlo model.

At each balance sheet date, the entity revises its estimates of the number of options with non-market performance conditions that are expected to vest. It recognises the impact of the revision to latest estimates, if any, in the income statement, with a corresponding adjustment to equity.

The fair value of share options issued to employees of subsidiary companies is recovered from the subsidiary company.

Investments

Long term investments held as fixed assets are stated at cost less amounts written off or provided to reflect impairment.

Impairment

Fixed asset investments are reviewed where there is an indication of impairment to determine whether the carrying value of the assets may be irrecoverable. If any such indication exists, the recoverable amount of the asset is calculated as the greater of value in use or fair value less costs to sell, where the value in use is calculated as the present value of future cash flows resulting from the asset's continued use and eventual disposal. This value is compared to the carrying value of the asset with any resultant loss recorded as a charge in the income statement.

Foreign currencies

All exchange gains or losses on settlement or translation at closing rates of exchange of current monetary assets and liabilities are included in the determination of profit for the year.

Borrowing costs
All loans and borrowings are initially recognised at cost being the net fair value of the consideration received plus transaction costs that are directly attributable to the issue of the borrowing. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities have been capitalised as a prepayment and amortised to the extent that there is no evidence that it is probable that some or all of the facility will be drawn down. The fees are amortised over the period of the facility to which it relates.

Tangible assets
Tangible fixed assets within the balance sheet are carried at historical cost less accumulated depreciation. Depreciation is calculated so as to write off the cost less the estimated residual value including estimated selling costs, over the expected useful life on a straight line basis as follows:

Computer software	-	5 years
Property, plant and equipment	-	10 years

Financial instruments
The company is exposed to a variety of financial risks, such as liquidity, foreign exchange and interest rate risks. A risk management programme is in place that seeks to limit the adverse effect of these risk factors on the financial performance of the company. Where appropriate the company enters into currency instruments in order to hedge against the effects of exchange rate fluctuations, in line with the company's treasury policy.

Any gains or losses arising from fluctuations in the fair value of derivative financial instruments are recognised immediately in the profit and loss account.

The fair value of derivative financial instruments are based on the market price of comparable financial instruments at the balance sheet date. The fair value of short term deposits, loans and bank overdrafts with a maturity of less than one year have been assumed to approximate to their book value.

Deferred tax
Deferred taxation is provided on an undiscounted basis on all timing differences that have originated but not reversed at the balance sheet date except as referred to below. Amounts provided are calculated with reference to tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

Exceptional items
Exceptional items are transactions that are unusual in size or nature. The directors consider that such transactions should be separately disclosed in order to allow the user of the Financial Statements to better understand the underlying performance of the company.

1. Net operating loss before exceptional items

		Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Management recharge income		(170)	(433)
Staff costs	2(a)	1,169	1,167
Property costs		170	246
Travel Costs		145	174
Management recharge cost		713	1,398
Depreciation and amortisation		28	35
Legal and professional fees		353	471
Charitable donations		55	62
Realised exchange gains		1	-
Unrealised exchange gains / (losses)		3	(33)
Other operating expenses		2	155
		2,469	3,242

During the period £114,800 was payable to the company's auditors (year ended 31 March 2014: £119,000), including £21,600 (year ended 31 March 2014: £21,000) in respect of the review of the group's half year report.
Audit remuneration costs were payable in respect of the company and the company's subsidiaries in both the current and prior year: Hyder Consulting Europe Limited, Hyder Consulting Group Limited, Hyder Consulting Holdings Limited and Hyder Consulting Overseas Holdings Limited.

2. Staff costs and directors' remuneration

(a) Staff costs	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Wages and salaries	860	870
Social security costs	102	180
Defined contribution scheme costs	60	76
Share based payment charge	147	41
	1,169	1,167

In addition to staff costs recorded in net loss before exceptional items, there were other staff related exceptional charges recorded in the period. The charges included a share based payment charge of £1,107k, and an accrued cost in respect of compensation for loss of office £550k, as described in Note 3.

The average monthly number of employees during the period / year was made up as follows:

	Nine months ended 31 December 2014 Number	Year ended 31 March 2014 Number
Technical	-	-
Administration	6	6
	6	6

All employees during the current period and prior year were serving directors of the company.

(b) Directors' remuneration		Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Aggregate remuneration receivable by directors		860	870
Contibutions to defined contribution schemes		60	76
Compensation for loss of office	3	550	-
		1,470	946

Number of directors who received shares in respect of qualifying services	2	2
Number of directors who received awards under long term incentive plan	2	2

One director (year ended 31 March 2014: one director) was a deferred member of the Acer Group Pension Scheme ("AGPS"), which is a defined benefit scheme, throughout the period. The AGPS was closed to future accrual on 30 April 2011. During the period two directors (year ended 31 March 2014: two) were members of a defined contribution scheme.

2. (b) Staff costs and directors' remuneration cont.

	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Aggregate gains made by directors on the exercise of share options	**1,387**	2,070
	1,387	2,070

(c) Highest paid director	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Aggregate emoluments	**436**	387
Gains on shares and options	**852**	1,656
Company contributions to defined contribution schemes	**41**	46
	1,329	2,090

3. Exceptional items

	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Legal and consultancy costs related to acquisition	**4,019**	-
Accelerated share based payment charge	**991**	-
Social security costs related to accelerated share based payment charge	**116**	-
Compensation agreements for directors	**550**	-
	5,676	-

Legal and consultancy costs of £4,019k relating to the acquisition of the company by ARCADIS UK Investments BV were recognised as an exceptional item within net operating loss. The acquisition of the company also triggered early vesting of several outstanding awards under the long term incentive plan. A charge of £1,107k was recognised within exceptional items to reflect the accelerated charge and associated social security costs. In addition, all costs accrued at the period end in respect of compensation agreements with the company's directors for loss of office have also been recorded as an exceptional item during the period.

4. Interest receivable and payable

	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Interest receivable:		
- On bank deposits	**45**	21
- On loans to subsidiary undertakings	**286**	375
Interest receivable and similar income	**331**	396
Interest expense:		
- On bank loans and overdrafts	**(374)**	(332)
- Amortisation of capitalised loan facility costs	**(132)**	(179)
- On loans from parent companies	**(16)**	-
Interest payable and similar charges	**(522)**	(511)
	(191)	(115)

5. Tax on loss on ordinary activities

	Nine months ended 31 December 2014 £'000	Year ended 31 March 2014 £'000
Current tax		
UK corporation tax on loss for the prior year	**(67)**	101
UK corporation tax on loss for the period / year	**403**	637
	336	738

The tax assessed for the period is lower (year ended 31 March 2014: lower) than the standard rate of corporation tax in the UK (21%, year ended 31 March 2014: 23%). The differences are explained below:

Reconciliation of current period tax charge		
Loss on ordinary activities before taxation	**(8,336)**	(357)
Expected tax credit at 21% (31 March 2014: 23%) of loss	**1,751**	82
Income from subsidiaries not subject to tax	**-**	690
Tax losses not recognised	**(404)**	(114)
Expenses not deductible for tax purposes	**(944)**	(21)
UK corporation tax on loss for the prior year	**(67)**	101
Current period tax charge	**336**	**738**

The Finance Act 2013 included legislation to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015.

6. Tangible assets

	Property, plant and equipment £'000	Computer software £'000	Total £'000
Cost			
At 1 April 2014	199	71	**270**
Additions	-	-	**-**
Disposals	-	-	**-**
At 31 December 2014	199	71	**270**
Accumulated Depreciation			
At 1 April 2014	(30)	(28)	**(58)**
Charge for the period	(16)	(12)	**(28)**
At 31 December 2014	(46)	(40)	**(86)**
Net book value			
At 31 December 2014	**153**	**31**	**184**
At 31 March 2014	169	43	212

7. Investments

Interests in subsidiary undertakings	31 December 2014 £'000	31 March 2014 £'000
Cost or valuation		
At 1 April 2014 and 2013	14,676	14,676
At 31 December 2014 (prior year 31 March 2014)	14,676	14,676

The directors believe that the carrying value of the investments is supported by their underlying net assets.

8. Debtors

	31 December 2014 £'000	31 March 2014 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	31,069	26,031
Prepayments and accrued income	1,589	1,223
	32,658	27,254

Amounts owed by subsidiary undertakings include amounts related to financing the activities of the Hyder Consulting group and are repayable on demand.

Of the prepayments and accrued income balance, £97k is recoverable over a period greater than one year (31 March 2014: £229k).

9. Creditors

	31 December 2014 £'000	31 March 2014 £'000
Amounts falling due within one year:		
Amounts owed to parent company	20,950	-
Amounts owed to subsidiaries	661	638
Other creditors	1,728	647
	23,339	1,285

10. Called up share capital

Issued and fully paid ordinary shares of 10p each:	Shares	£'000
At 1 April 2013	38,770,514	3,877
Issued in relation to exercised share options	139,750	14
At 31 March 2014	38,910,264	3,891
Issued in relation to exercised share options	88,897	9
At 31 December 2014	38,999,161	3,900

All shares were acquired by Arcadis UK Investments BV on 16 October 2014.

During the period, options were exercised on 10,000 shares at 139.5p, 22,500 shares at 194.0p, 41,106 shares at 256.3p, and 4,250 shares at 348.5p and 7,000 at 525.0p. Additionally 4,127 shares were issued at nil consideration in order to satisfy outstanding share options upon acquisition of the company by Arcadis UK Investments BV. The total consideration for these shares was £0.2m.

During the prior year, options were exercised on 10,000 shares at 87.5p, 13,500 shares at 139.5p, 22,500 shares at 194.0p, 30,000 shares at 256.3p, and 63,750 shares at 348.5p. The total consideration for these shares was £0.4m.

11. Share premium account

	£'000
Issued and fully paid:	
At 1 April 2013	30,059
Premium on ordinary shares issued during the year less expenses of issues	357
At 31 March 2014	30,416
Premium on ordinary shares issued during the period less expenses of issues	205
At 31 December 2014	**30,621**

12. Other reserves

	Capital redemption reserve £'000	Own shares £'000	Total £'000
At 1 April 2014	80	(1,012)	(932)
Purchase of own shares	-	-	-
Transfer of own shares from EBT	-	1,012	1,012
At 31 December 2014	**80**	-	**80**

The Employee Benefit Trust (EBT), which held own shares during the period and in the prior year for the purpose of satisfying obligations under the Long Term Incentive Plan (LTIP), was closed. Consequently all own *shares were transferred to the profit and loss account. At the date of transfer, there were 292,033 shares.*

13. Profit and loss account

	31 December 2014 £'000	31 March 2014 £'000
At 1 April 2014 and 2013	6,689	12,384
(Loss) / Profit for the financial period	(7,999)	380
Share based payments	1,380	115
Transfer of own shares from EBT	(1,012)	(1,381)
Dividends paid	(3,282)	(4,809)
At 31 December 2014 (prior year 31 March 2014)	**(4,224)**	6,689

14. Share based payments

Share options

Set out below are summaries of options granted under Hyder group schemes:

As at 31 December 2014

Scheme	Award date	Exercise price (p)	Fair value (p)	Number of employees	Awards outstanding at 31 March 2014	Granted during the period	Exercised during the period	Forfeited during the period	Awards outstanding at 31 December 2014	Awards exercisable at 31 December 2014
ESOS	03-Aug-04	139.5	57.1	-	11,000	-	(10,000)	(1,000)	-	-
ESOS	10-Jun-05	194.0	76.4	-	22,500	-	(22,500)	-	-	-
ESOS	30-Jun-06	256.3	99.1	-	41,016	-	(41,016)	-	-	-
ESOS	15-Jun-07	525.0	139.0	-	7,000	-	(7,000)	-	-	-
ESOS	18-Jul-08	348.5	71.0	-	4,250	-	(4,250)	-	-	-
LTIP (A)	18-Jul-08	Nil	337.7	-	6,289	-	(6,289)	-	-	-
LTIP (A)	19-Jun-09	Nil	139.8	-	34,978	-	(34,978)	-	-	-
LTIP (A)	16-Jun-10	Nil	277.5	-	36,933	-	(36,933)	-	-	-
LTIP (A)	15-Jun-11	Nil	381.0	-	130,683	-	(52,267)	(78,416)	-	-
LTIP (A)	12-Jul-12	Nil	346.0	-	296,967	-	(198,791)	(98,176)	-	-
LTIP (A)	15-Jan-13	Nil	399.2	-	30,596	-	(17,800)	(12,796)	-	-
LTIP (A)	11-Jul-13	Nil	418.9	-	182,422	-	(65,519)	(116,903)	-	-
LTIP (A)	30-Nov-13	Nil	573.6	-	9,836	-	(2,856)	(6,980)	-	-
LTIP (A)	20-Jun-14	Nil	442.5	-	-	191,914	(20,325)	(171,589)	-	-
LTIP (B)	15-Jun-11	Nil	253.0	-	134,033	-	-	(134,033)	-	-
LTIP (B)	12-Jul-12	Nil	198.0	-	152,202	-	(114,534)	(37,668)	-	-
LTIP (B)	11-Jul-13	Nil	210.0	-	134,729	-	(56,598)	(78,131)	-	-
LTIP (B)	20-Jun-14	Nil	223.0	-	-	129,838	(13,754)	(116,084)	-	-
					1,235,434	321,752	(705,410)	(851,776)	-	-
Weighted average exercise/transfer price (p)					17.46	-	30.37	0.16	-	-

The Hyder group recognised a charge of £0.4m in net operating loss and £1.0m in exceptional items related to share based payments during the period (year ended 31 March 2014: £0.1m).

The weighted average outstanding period until expiry on outstanding awards at 31 December 2014 is 0.00 years (year ended 31 March 2014: 7.72 years).

As at 31 March 2014

Scheme	Award date	Exercise price (p)	Fair value (p)	Number of employees	Awards outstanding at 31 March 2013	Granted during the year	Exercised during the year	Forfeited during the year	Awards outstanding at 31 March 2014	Awards exercisable at 31 March 2014
ESOS	19-Jun-03	87.5	35.5	-	10,000	-	(10,000)	-	-	-
ESOS	03-Aug-04	139.5	57.1	3	24,500	-	(13,500)	-	11,000	11,000
ESOS	10-Jun-05	194.0	76.4	4	45,000	-	(22,500)	-	22,500	22,500
ESOS	30-Jun-06	256.3	99.1	6	71,016	-	(30,000)	-	41,016	41,016
ESOS	15-Jun-07	525.0	139.0	2	10,500	-	-	(3,500)	7,000	7,000
ESOS	18-Jul-08	348.5	71.0	1	93,500	-	(63,750)	(25,500)	4,250	4,250
LTIP (A)	15-Jun-07	Nil	505.9	-	2,666	-	(2,666)	-	-	-
LTIP (A)	18-Jul-08	Nil	337.7	1	12,578	-	(6,289)	-	6,289	6,289
LTIP (A)	19-Jun-09	Nil	139.8	6	44,972	-	-	(9,994)	34,978	34,978
LTIP (A)	16-Jun-10	Nil	277.5	7	150,157	-	(67,125)	(46,099)	36,933	36,933
LTIP (A)	15-Jun-11	Nil	381.0	22	141,831	-	(1,923)	(9,225)	130,683	-
LTIP (A)	12-Jul-12	Nil	346.0	58	344,544	-	(1,782)	(45,795)	296,967	-
LTIP (A)	15-Jan-13	Nil	399.2	4	30,596	-	-	-	30,596	-
LTIP (A)	11-Jul-13	Nil	418.9	26	-	196,293	-	(13,871)	182,422	-
LTIP (A)	30-Nov-13	Nil	573.6	1	-	9,836	-	-	9,836	-
LTIP (B)	11-Dec-08	Nil	150.7	-	313,715	-	(313,715)	-	-	-
LTIP (B)	19-Jun-09	Nil	139.8	-	56,430	-	(56,430)	-	-	-
LTIP (B)	16-Jun-10	Nil	241.8	-	171,185	-	(78,127)	(93,058)	-	-
LTIP (B)	15-Jun-11	Nil	253.0	2	134,033	-	-	-	134,033	-
LTIP (B)	12-Jul-12	Nil	198.0	2	152,202	-	-	-	152,202	-
LTIP (B)	11-Jul-13	Nil	210.0	2	-	134,729	-	-	134,729	-
					1,809,425	340,858	(667,807)	(247,042)	1,235,434	163,966
Weighted average exercise/transfer price (p)					38.31	-	55.45	43.41	17.46	131.53

The fair value of share options with non-market performance conditions has been calculated using the Black Scholes option pricing model. The fair value of options with market-related performance conditions are measured using the Monte Carlo model. Expected volatility was determined by calculating the historical volatility of the group's share price over a period prior to grant date equal in length to the vesting period, which equates to a three-year share price history (31 March 2014: three-year share price history). The risk free rate of return was assumed to be the yield to maturity on a UK gilt with the term to maturity equal to the expected life of the option. The expected dividend yield is an estimate of the dividend yield at the date of grant for the duration of the option's life.

The acquisition of the company by Arcadis UK Investments BV in October 2014 resulted in early vesting of outstanding awards at that date. The change in vesting period was approved by the company's remuneration committee. This resulted in either exercise or foreiture of all remaining awards, and an exceptional charge to the profit and loss account of £991k during the period.

The assumptions used in the valuation model are as follows:

	LTIP - EPS conditions Jun 14	LTIP - TSR conditions Jun 14
Risk free rate of return	1.42%	1.46%
Dividend yield	2.71%	2.50%
Share price volatility	46.32%	-
Peer group volatility	-	40.00%
Vesting period	3 years	3 years
Expected life	7 years	7 years
Share price at grant date	480.0p	480.0p

15. Related party transactions

In accordance with the exemption afforded by Financial Reporting Standard 8, there is no disclosure in these financial statements of transactions with entities that are part of the ARCADIS group.

16. Directors' and officers' loans and transactions

No loans or credit transactions with any directors, officers or connected persons occurred during the period or were outstanding at the end of the period, that have not been disclosed in the Directors' Report.

17. Contingent liabilities

The company has entered into guarantees to support subsidiaries' requirements. The company has also entered into guarantees supporting subsidiaries' financing arrangements. The directors do not consider any provision necessary in respect of these amounts.

18. Principal subsidiary undertakings

Subsidiary	Country of incorporation	Direct shareholding %	Indirect shareholding %
Hyder Consulting Holdings Limited	England and Wales	100	
Hyder Consulting Group Limited	England and Wales		100
Hyder Germany GmbH	Germany		100
Hyder Consulting Limited	Hong Kong		100
Hyder Consulting Middle East Limited	Guernsey		100
Hyder Consulting Europe Limited	England and Wales		100
Hyder Consulting (UK) Limited	England and Wales		100
Hyder Consulting Overseas Holdings Limited	England and Wales		100
Hyder Consulting Holdings Pty Limited	Australia		100

19. Ultimate parent company and controlling party

The immediate parent undertaking is ARCADIS UK Investments BV. The ultimate parent undertaking and controlling party is ARCADIS NV, a company registered in The Netherlands, which is also the parent undertaking of both the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2014. The consolidated financial statements of ARCADIS NV can be obtained from: The Company Secretary, ARCADIS NV, Gustav Mahlerplein 97 - 103, 1082 MS Amsterdam, The Netherlands.