

Alexander Proudfoot Company of Europe Limited

**Directors' report and financial
statements**

Registered number 1054993

31 December 2013

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Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report for the year ended 31 December 2013. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Accordingly the Company has not been required to prepare a Strategic report for the year.

Principal activities

The principal activity of the Company during the year was that of a holding company.

Business review

The Company made a result for the year of £nil (2012: loss of £1,000). The Company paid a dividend of £6,451,311 (2012: £nil) in the current financial year.

Going concern

Following a review of the Group structure, the directors concluded that the company could be struck-off. The intention is to complete the strike-off within 12 months from the accounts signing date. As such the Company is no longer deemed to be a going concern and the accounts have been prepared on a basis other than going concern.

Directors

The directors who held office during the year and up to the date of this report, were as follows:

C W Ansley
N Stagg
C Povey

Financial risk management

The Company does not use derivatives to manage its financial risks. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet the only financial risk the directors consider relevant to this Company is credit risk. This risk is mitigated by the Company's credit control policies.

Directors' report (continued)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of the Annual General Meeting.

Approved by the Board and signed on its behalf by:



C Povey
Director

10 Fleet Place
London EC4M 7RB

Date: 9 September 2014

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom 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; 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.

Independent auditor's report to the members of Alexander Proudfoot Company of Europe Limited

We have audited the financial statements of Alexander Proudfoot Company of Europe Limited for the year ended 31 December 2013 which comprise the Profit and loss Account, the Balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

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. 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its result for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report to the members of Alexander Proudfoot Company of Europe Limited (continued)

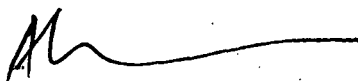
Emphasis of matter – financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Anthony Morris (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

9 September 2014

Profit and loss account

Profit and loss account

for the year ended 31 December 2013

	<i>Notes</i>	2013 £	2012 £
Operating result/(loss)	3	-	(1,000)
Tax on ordinary activities	4	-	-
Result/(loss) for the financial year	9	<u>-</u>	<u>(1,000)</u>

There are no recognised gains or losses other than those shown in the profit and loss account therefore no statement of total recognised gains and losses is presented.

The current and prior year results arose from discontinued operations.


Balance sheet

As at 31 December 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	1,000,000	7,452,311
Current liabilities			
Creditors	7	-	(1,000)
Net assets		<u>1,000,000</u>	<u>7,451,311</u>
Capital and reserves			
Called up share capital	8	1,000,000	1,000,000
Profit and loss account	9	-	6,451,311
Shareholder's funds	10	<u>1,000,000</u>	<u>7,451,311</u>

The financial statements were approved by the board of directors and authorised for issue on 9 September 2014.

They were signed on its behalf by:



C Povey
 Director

Notes to the accounts

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention.

Going concern

It is planned the entity will be struck off in the upcoming 12 months from the accounts signing date, consequently as required by FRS 18 the financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such were committed at the balance sheet date.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Group accounts

At the end of the year the Company was a wholly-owned subsidiary of a Company incorporated in a member state of the European Union which prepares group accounts. Accordingly, the preparation of group accounts is not required under Section 400 of the Companies Act 2006 and these financial statements represent information about the Company as an individual undertaking.

Functional currency

The financial statements have been prepared in GBP as the directors believe this to be the functional currency of the Company as its major cash flows are in GBP.

Cash flow statement

Under Financial Reporting Standard Number 1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement because it is a wholly-owned subsidiary undertaking of Management Consulting Group PLC and its cash flows are included within the consolidated cash flow statement of that company.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes to the accounts (continued)

2. Staff numbers and costs

The Company did not have any employees during either the current or prior financial year. The directors did not receive any remuneration in respect of their services to the Company either in the current or prior financial year.

3. Operating result/(loss)

The auditor's remuneration of £2,000 (2012: £2,000) was borne by the Company's parent company in the both the current and preceding year. During the year, the Company paid £nil to the auditor for non-audit services (2012: £nil).

4. Tax charge on result/(loss) on ordinary activities

	2013 £	2012 £
Current tax		
Total tax charge on result/(loss) on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the year

UK corporation tax is calculated at 23.25% (2012: 24.5%) of the estimated assessable profit for the year.

The tax charge for the year is less than the charge expected by applying the applicable rate for the reasons set out in the following reconciliation:

	2013 £	2012 £
Result/(loss) on ordinary activities before tax	<u>-</u>	<u>(1,000)</u>
Expected tax charge at 23.25% (2012: 24.5%)	-	(245)
Factors affecting the tax charge:		
Tax losses not utilised and carried forward for future periods	-	245
Current tax charge	<u>-</u>	<u>-</u>

Notes to the accounts (continued)

5. Dividends on equity shares

Amounts recognised as distributions to equity holders in the year:

	2013 £	2012 £
Interim dividend for the year ended 31 December 2013 of £6.45 (2012: £nil) per ordinary share	<u>6,451,311</u>	<u>-</u>

6. Debtors

	2013 £	2012 £
Amounts owed by group undertakings	<u>1,000,000</u>	<u>7,452,311</u>

Amounts owed by group undertakings are interest free (and repayable in part or full at any time).

7. Creditors

	2013 £	2012 £
Accruals	<u>-</u>	<u>1,000</u>

8. Share capital

	2013 £	2012 £
<i>Authorised, allotted, called up and fully paid</i> 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

9. Movement in profit and loss account

	2013 £	2012 £
Opening profit and loss account	6,451,311	6,452,311
Result/(loss) for the financial year	-	(1,000)
Dividend paid	<u>(6,451,311)</u>	<u>-</u>
Closing profit and loss account	<u>-</u>	<u>6,451,311</u>

Notes to the accounts (continued)

10. Reconciliation of the movement in shareholder's funds

	2013 £	2012 £
Opening equity shareholder's funds	7,451,311	7,452,311
Result/(loss) for the financial year	-	(1,000)
Dividend paid	(6,451,311)	-
Closing equity shareholder's funds	<u>1,000,000</u>	<u>7,451,311</u>

11. Related party transactions

As the Company is a wholly owned subsidiary of Management Consulting Group PLC, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

The consolidated financial statements of Management Consulting Group PLC, within which the results of this Company are included, can be obtained from the address given in note 12.

12. Immediate and ultimate parent company

The immediate and ultimate parent company and controlling party is Management Consulting Group PLC, a company incorporated in Great Britain and registered in England and Wales.

The smallest and largest group in which the accounts are consolidated is that headed by Management Consulting Group PLC. Copies of the accounts of Management Consulting Group PLC may be obtained at the following address: Management Consulting Group PLC, 10 Fleet Place, London EC4M 7RB.