

**Company Registration Number 1275207**

**EMERIO LIMITED**

**Report and Balance Sheet**

**31 December 2006**

TUESDAY



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COMPANIES HOUSE

# **EMERIO LIMITED**

## **REPORT AND BALANCE SHEET 2006**

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## **EMERIO LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

S Ashdown  
B A Melizan

#### **SECRETARY**

W L Spencer (resigned 5 January 2007)  
S A Lawrence (appointed 5 January 2007)

#### **REGISTERED OFFICE**

Capital Tower  
91 Waterloo Road  
London  
SE1 8RT

#### **AUDITORS**

Deloitte & Touche LLP  
London

## EMERIO LIMITED

### DIRECTORS' REPORT

The directors present their annual report and the audited balance sheet for the year ended 31 December 2006

### PRINCIPAL ACTIVITY AND FUTURE PROSPECTS

The principal activity of the company is a holding company. The directors expect that this will continue to be the principal activity of the company for the foreseeable future.

### RESULTS AND DIVIDENDS

The company remained dormant throughout the year and is expected to remain dormant for the foreseeable future. Accordingly a profit and loss account has not been prepared.

No dividend was paid in the current year (2005 £nil)

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows

S Ashdown

T Bradbury (resigned 15 December 2006)

S S Marohi (resigned 4 January 2006)

B A Melizan (appointed 5 February 2007)

B W Spencer (appointed 15 December 2006, resigned 5 February 2007)

The interests of the directors who were in office at the year end in the share capital of the ultimate parent undertaking Interserve plc are as stated below at 1 January 2006 (or date of appointment, if later) and 31 December 2006. No director had any interests in the share capital of the company or any other group company during the year.

	Shares of 10p each		Options over shares of 10p each				Exercise price p	Period of exercise
	1 Jan 06*	31 Dec 06	1 Jan 06*	Granted during year	Lapsed during year	31 Dec 06		
B W Spencer	-	-	28,000	-	-	28,000	253.25	26 May 07 to 25 Mar 14
	-	-	5,295	-	-	5,295	566.50	19 Mar 05 to 18 Mar 12
	-	-	1,705	-	-	1,705	566.50	19 Mar 05 to 18 Mar 09
	-	-	34,787	-	-	34,787	359.30	14 Mar 08 to 13 Mar 15

## EMERIO LIMITED

### DIRECTORS' REPORT (continued)

### DIRECTORS AND THEIR INTERESTS (continued)

	Performance share plan			31 Dec 06	Vesting date
	Awarded during 1 Jan 06*	Vested during year	Lapsed during year		
S Ashdown	- 14,745	-	-	14,745	21 Jun 09
B W Spencer	- 17,342	-	-	17,342	21 Jun 09

\* Or date of appointment

The market price of Interserve plc shares at 31 December 2006 was 401p (2005 362p) The high/low during the year was 429p (2005 371p) and 260p (2005 325p)

### AUDITORS

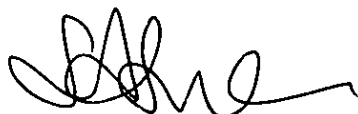
Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



S Ashdown  
Director

## **EMERIO LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report including the financial statements. The directors have chosen to prepare the financial statements for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view, in accordance with UK GAAP, of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those 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 accounting standards have been followed, 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
EMERIO LIMITED**

We have audited the financial statements of Emerio Limited for the year ended 31 December 2006 which comprise the balance sheet, and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

**In our opinion**

- ☐ the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its result for the year then ended,
- ☐ the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- ☐ the information given in the directors' report is consistent with the financial statements

*Deloitte & Touche LLP*

**DELOITTE & TOUCHE LLP**  
Chartered Accountants and Registered Auditors  
London, United Kingdom

*10 May 2007*

**EMERIO LIMITED**

**BALANCE SHEET**  
At 31 December 2006

	Note	2006 £'000	2005 £'000
<b>FIXED ASSETS</b>			
Investments	3	50	50
<b>CURRENT ASSETS</b>			
Debtors	4	2,325	2,350
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	5	<u>(1,302)</u>	<u>(1,327)</u>
<b>NET CURRENT ASSETS</b>		<u>1,023</u>	<u>1,023</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,073	1,073
<b>PROVISIONS FOR LIABILITIES</b>	6	<u>(124)</u>	<u>(124)</u>
<b>NET ASSETS</b>		<u>949</u>	<u>949</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Called up share capital	7	50	50
Profit and loss account		<u>899</u>	<u>899</u>
<b>SHAREHOLDERS' FUNDS</b>	8	<u>949</u>	<u>949</u>

The balance sheet was approved by the Board of Directors on 9<sup>th</sup> May 2007

Signed on behalf of the Board of Directors



**S Ashdown**  
Director



## EMERIO LIMITED

### NOTES TO THE BALANCE SHEET Year ended 31 December 2006

#### 1. ACCOUNTING POLICIES

The balance sheet is prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below

##### Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value

#### 2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company remained dormant through the year and prior year. Accordingly a profit and loss account has not been prepared. Auditors' remuneration, directors' emoluments and all indirect costs of the company are borne by Interserve<sup>fm</sup> Ltd, a related undertaking

Messrs Ashdown, Maroh, Melizan and Spencer were remunerated for their services to the group by Interserve<sup>fm</sup> Ltd and it is not practicable to allocate their remuneration between the companies of which they are directors.

Mr Bradbury was remunerated for his services to the group by Interserve plc. It is not practicable to allocate his remuneration between the companies of which he is a director

#### 3. INVESTMENTS

	Loan to subsidiary undertaking £'000	Shares in subsidiary undertaking £'000	Total £'000
<b>Cost</b>			
At 1 January 2006 and 31 December 2006	501	453	954
<b>Impairment</b>			
At 1 January 2006 and 31 December 2006	(501)	(403)	(904)
<b>At 31 December 2006</b>	<u>-</u>	<u>50</u>	<u>50</u>
<b>At 31 December 2005</b>	<u>-</u>	<u>50</u>	<u>50</u>

The company's subsidiary undertakings, which are wholly owned and registered in England and Wales, are engaged in the following activities

Climate Services Limited	Dormant
Euro AS Limited	Dormant

In the opinion of the directors the value of the company's investment in its subsidiary undertakings is not less than the amount at which it is stated in the balance sheet.

**EMERIO LIMITED**

**NOTES TO THE BALANCE SHEET**  
**Year ended 31 December 2006**

<b>4.</b>	<b>DEBTORS</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
	Amounts owed by group undertakings	2,325	2,322
	Corporation taxation recoverable	-	28
		<u>2,325</u>	<u>2,350</u>
<b>5</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
	Amounts owed to group undertakings	<u>1,302</u>	<u>1,327</u>
<b>6.</b>	<b>PROVISIONS FOR LIABILITIES</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
	Contract provisions		
	Balance at beginning of year	124	124
	Utilised during the year	-	-
	Balance at end of year	<u>124</u>	<u>124</u>
	Due to the nature of the contracts the directors are uncertain as to the exact timing of when the contract provisions will be utilised.		
<b>7.</b>	<b>CALLED UP SHARE CAPITAL</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
	Authorised, allotted, called up and fully paid 50,000 Ordinary shares of £1 each	<u>50</u>	<u>50</u>
<b>8.</b>	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>2006</b> <b>£'000</b>	<b>2005</b> <b>£'000</b>
	Opening shareholders' funds	<u>949</u>	<u>949</u>
	Closing shareholders' funds	<u>949</u>	<u>949</u>

## **EMERIO LIMITED**

### **NOTES TO THE BALANCE SHEET** **Year ended 31 December 2006**

#### **9. CASH FLOW STATEMENT**

As a wholly owned subsidiary of a UK registered company, the company has taken advantage of the exemption from the requirement to produce a cash flow statement. A consolidated cash flow statement is included in the Interserve plc group accounts.

#### **10. RELATED PARTY TRANSACTIONS**

The company is a wholly owned subsidiary of How Group Limited and has accordingly taken advantage of the exemption available under Financial Reporting Standard 8 'Related Party Disclosures' from disclosing transactions with group entities

#### **11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

How Group Limited, a company registered in England and Wales, is the company regarded by the directors as the immediate parent company

Interserve plc, a company registered in England and Wales, is the company regarded by the directors as the ultimate parent company and controlling party and is the smallest and largest group for which group financial statements are prepared. Copies of the financial statements of Interserve plc and How Group Limited can be obtained from the Company Secretary, Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU