

Company Registration No. 2225820 (England and Wales)

**Gas Strategies Group Limited**

**Annual report and financial statements  
for the year ended 31 December 2014**

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## **Gas Strategies Group Limited**

### **Company information**

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<b>Directors</b>	David Mauro (Appointed 12 March 2014) Clare Spottiswoode Patrick Breen
<b>Secretary</b>	Patrick Breen
<b>Company number</b>	2225820
<b>Registered office</b>	10 St Bride Street London EC4A 4AD
<b>Independent auditors</b>	Saffery Champness Lion House Red Lion Street London WC1R 4GB

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**Strategic report**

**For the year ended 31 December 2014**

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The directors present their strategic report for the year ended 31 December 2014.

**Development and Performance of the business**

The global oil and gas industry will particularly remember 2014 for the dramatic fall in oil price that was experienced from June onwards. This took the industry by surprise: not alone the event of the oil price fall, but also the scale and speed of this reversal. By the end of 2014 the industry was recognising that this phenomenon will have a significant impact for a number of years on how it does business.

The impact of \$50 oil has hit both oil and gas companies and exporting nations. Oil and gas companies have seen oil revenues significantly dented. At the outset of 2015 this has resulted in reductions in capex programmes across the industry and is likely to significantly challenge the number of oil and gas projects being brought forward for final investment decision (FID) during 2015.

Adding to this global development has been the imposition of trade sanctions on Russia and on companies considered to be associated with its government. Existing projects under development have been challenged by the impact this has on access to western finance and associated financial and other advisors; politics has also directly intervened in what prospective projects are to be brought forward including, notably, the cancellation of South Stream.

For the global gas industry, the growing number of regulatory approvals of possible US LNG export projects, both from FERC and the US Department of Energy, has confirmed a basis for more global interaction and convergence of gas prices. The three Queensland LNG projects on Curtis Island also remain programmed to commence supply during 2015 - 2016. However even before a single molecule of LNG had been exported from any of these projects, spot markets for LNG in Asia had already softened towards the end of 2014 as a consequence of reduced demand.

Gas Strategies again reports that it has sustained its strong presence in the global energy industry through 2014. In Europe this has included supporting European clients in defending their long-term contract positions and other expert support to litigation. Globally this has included us continuing our recognised leadership as provider of due diligence support to the purchasers of European and Australian infrastructure, acting in the financing of LNG projects around the world, in taking new LNG and infrastructure projects to commercial operation and supporting governments in the monetisation of gas reserves or the development of gas-based economies.

Year-on-year revenues in 2014 were overall in line with 2013. Our global reach was again extended during the year and delivered strong operating profit margins. The operating model for Consulting matured again during the year, particularly the deepening of our client relationships and the enhancement of assignment delivery. Training and information services sales performance continued to be challenged by market conditions.

The business has maintained its focus on delivering high value services to clients, developing the capabilities of our people, and maintaining strong operational and financial control.

## **Business Environment**

The global oil and gas industry will particularly recognise 2014 for the dramatic fall in oil price that was experienced from June onwards. This took the industry by surprise: not alone the event of the oil price fall, but also the scale and speed of this reversal. By the end of 2014 the industry was recognising that this is a phenomenon that will have significant impact on how it will do business for a number of years.

The disruptive impact of oil and gas from shale, particularly from US production, became quite profound as the prospects for global demand growth in China were seen to be less certain. Growing global oil production, including unexpectedly robust continuity of supply from areas of conflict, occurred at the same time as this greater conservatism regarding demand. The US became a significantly smaller export market for other oil producers as indigenous oil from shale displaced imports. Moreover, OPEC and the Kingdom of Saudi Arabia in particular appears to have recognised the loss of its position of dominance in the industry and broke with past practice by not stepping in to support the oil price through reducing production.

The impact of \$50 oil has hit both oil and gas companies and exporting nations. Oil and gas companies have seen oil revenues significantly dented. At the outset of 2015 this has resulted in reductions in capex programmes across the industry and is likely to significantly challenge the number of oil and gas projects being brought forward for final investment decision (FID) during 2015. The oil and gas majors will be better geared to handle such a market condition and can be expected to avail of this opportunity to achieve a correction in costs while maintaining ongoing long-term investment in exploration and development. Mid-sized players appear to be more challenged to sustain themselves through this period owing to proportionally smaller production bases and higher investment demands. The corporate finance sector anticipates significant M&A activity in this climate.

Adding to this global development has been the imposition of trade sanctions on Russia and on companies considered to be associated with its government. Existing projects under development have been challenged by the impact this has on access to western finance and associated financial advisors; politics has also directly intervened in what prospective projects are to be brought forward including, notably, the cancellation of South Stream.

For the global gas industry, the growing number of regulatory approvals of possible US LNG export projects, both from FERC and the US Department of Energy, has confirmed a basis for more global interaction and convergence of gas prices. By the end of 2014, FID had been taken on Sabine Pass LNG (4 trains), Freeport LNG (2 trains), Cameron LNG (3 trains) and the single train Cove Point LNG. The three Queensland LNG projects on Curtis Island also remain programmed to commence supply during 2015 - 2016. However even before a single molecule of LNG had been exported from any of these projects, spot markets for LNG in Asia had already softened towards the end of 2014 as a consequence of reduced demand.

**Business Performance during 2014**

During 2014 Gas Strategies Group saw overall revenues of £8.1m delivered, representing an increase in service revenues of some 4.5% over 2013. Consulting revenues again grew to a small degree, with high levels of activity in the middle quarters of the year offset by a relative slow start in Q1 and a slowing down in activity levels towards year-end as the impacts of oil price took hold. Public Training and Information Services fell back again, by 18.3% and 16.8% respectively.

Consulting revenue during 2014 was again achieved through a healthy mix across our target services and geographies. Gas Strategies' activities in the LNG sector again sustained our recognised leadership as lenders' commercial and market advisers to the project finance sector around the world including projects in Russia and North America, while also extending our work in commercial readiness into North America to support projects as they approach delivery of first LNG. Our presence as a leading adviser to governments in the promotion and development of LNG projects also continued in Europe and Africa.

Gas Strategies' position as thought-leader in the LNG industry was reinforced during 2014 with the successful launch of our Pathfinder series of roundtable forums in London, Houston and Singapore. The report from this initiative has been well received and formed the basis of a paper presented at the Gastech conference in Seoul during March.

During 2014 Gas Strategies also extended its recognition as a key adviser to private equity, pension and sovereign infrastructure funds in gas infrastructure transactions due diligence support and in the active management of investment positions. The track record established in Europe in recent years extended during 2014 to advising prospective purchasers in their due diligence on the major trunkline divestment by QCLNG in Australia. In the case of both LNG and infrastructure work we are recognised for repeatedly bringing a unique combination of market and asset analytics based on practical operational and transaction experience.

We continue to support clients and projects on all five continents assisting them in some of their most challenging business initiatives and projects. During the year we have continued to work on a diverse portfolio of clients globally which in addition to the above includes supporting the South Africa Department of Energy in the development of the Gas Utilisation Master Plan for the country and particularly in respect of LNG to Power project development, continued strong positioning in a number of West African infrastructure projects, delivering a portfolio of major expert witness projects in arbitration and other dispute resolution processes for European buyers, and maintaining our positioning in the strategic direction and risk management for a number of major infrastructure investments.

Our public training business revenues under the Alphanat brand again fell back significantly during 2014. This service line continued to face challenges as it sought to build its offering and brand recognition outside its traditional European market in the growth markets of Asia-Pacific and North America. We continue to hold strong confidence in the future for our public training and for its ability to return to growth, aligned with our overall market and service ambitions for Gas Strategies including increasing the in-house development programmes provided for clients.

The marketplace also remained challenging for Information Services during 2014, with our subscriber base and pricing continuing to experience pressure as clients continued to seek headcount and cost reductions. This is in common with the general trend experienced in this sector.

Following successful focus on editorial processes from concept planning and origination to publication, client recognition of product quality has been reflected in ongoing increases in readership and improvements in annual subscription renewal rates. Alignment between titles continued to evolve during 2014 and Android applications for all titles were released during the year. The ongoing evolution of our strength of relationships with our client base and the development of our technology platforms to more powerfully support this, remain a priority.

The global gas industry in early 2015 is undergoing more change and uncertainty than has perhaps been seen for a number of decades. Gas Strategies' 2014 business performance represents principally the results achieved prior to much of this new challenge taking hold. Our success during 2015 and beyond will require us to respond with even greater creativity, agility and strength in the management of our business. Unlike many data and other advisors in the field, we believe that the questioning, collaborative culture and team working for which we are known positions Gas Strategies well to maintain our position as the leading independent commercial and market advisor to the global gas and LNG industry as it faces these challenging times.

### **Key Performance Indicators**

Gas Strategies Group Limited considers its key performance indicators to be:

**Sales Growth** - (-1.3%; 2013 3%) representing contraction in public training and information Services, offset by growth in Consulting.

**Gross Margin** - (56.82%; 2013 57.32%) delivering sustained strength in gross margins, particularly through larger scale consulting assignments and continuing focus in cost control, offset by the impact of reduced revenues in public training and Information Services.

**Operating Profit** - (27.5%; 2013 30.6%) reflecting the impact of a strong gross margin offset notably by forex losses from the strengthening of sterling.

### Principal Risks and Uncertainties

The company is exposed to risks in the confidence and direction of the global gas, LNG and wider energy industry, which is closely related to overall economic growth and to trends in global oil and gas prices. This risk may impact from time to time the demand for and competitive remuneration rates available in the market for the company's services, in addition to the availability, salaries and fee levels of staff and consultants.

The company is also exposed to risks in the movement of £/US\$, £/A\$ and £/€ exchange rates. This may impact from time to time our competitiveness in the marketplace, the margins achieved on our services and exchange losses.

On behalf of the board

  
.....

Patrick Breen

Director

..... 25<sup>th</sup> March 2015



## **Gas Strategies Group Limited**

### **Directors' report**

**For the year ended 31 December 2014**

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The directors present their report and financial statements for the year ended 31 December 2014.

The principal activities of the group continued to be those of consulting services, management training and the provision of information services to the global energy industry.

#### **Results and dividends**

The results for the year are set out on page 10.

Interim ordinary dividends were paid, amounting to £2,070,000. The directors do not recommend payment of a final dividend.

#### **Directors**

The following directors have held office since 1 January 2014:

David Mauro	(Appointed 12 March 2014)
Clare Spottiswoode	
Patrick Breen	

#### **Cash Flow, Borrowing and Liquidity**

The company has again achieved strong cash flow from its trading activities, with effective management of working capital. The business has been self-financing throughout the year.

In light of the continuing trading uncertainties that result from the outlook for global energy markets and wider economies during 2015, the directors have made prudent assessments of potential impact on company cash flows during 2015. The directors believe that existing resources will support the cash flow and liquidity requirements of the business in the event of a contraction in trading during 2015.

#### **Employees**

Details of the number of employees are given in Note 17 in the financial statements.

Applications for employment by disabled persons are always considered. In the event of existing members of staff becoming disabled every effort would be made to ensure that their employment with the company continues and the appropriate support and training is available.

The company aims to keep employees informed of all relevant matters through regular staff meetings, both formal and informal, and through written communications. Staff issues are dealt with efficiently and fairly. The company feels it has a transparent and appropriate policy for employee remuneration.

#### **Environment**

The company recognises the importance of its environmental responsibilities and monitors its impact on the environment and designs and implements appropriate policies to minimise any damage that might be caused by the company's activities. Initiatives designed to minimise the company's impact on the environment include recycling and reducing energy consumption wherever possible.

**Directors' report (continued)**

**For the year ended 31 December 2014**

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**Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

**Statement of directors' responsibilities**

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 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;
- 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.

**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....  
Patrick Breen

Director

25<sup>th</sup> March 2015  
.....

## **Gas Strategies Group Limited**

### **Independent auditors' report**

#### **To the members of Gas Strategies Group Limited**

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We have audited the financial statements of Gas Strategies Group Limited for the year ended 31 December 2014 set out on pages 10 to 22. 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 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 explained more fully in the Directors' Responsibilities Statement set out on pages 6 - 7, 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 2014 and of its profit 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**Gas Strategies Group Limited**

**Independent auditors' report (continued)**

**To the members of Gas Strategies Group Limited**

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**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.



**Lucy Brennan (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness**



**Chartered Accountants**  
**Statutory Auditors**

.....  
  
Lion House  
Red Lion Street  
London  
WC1R 4GB

**Gas Strategies Group Limited**

**Profit and loss account**

**For the year ended 31 December 2014**

		<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	8,108,646	8,212,513
Cost of sales		<u>(3,500,780)</u>	<u>(3,504,572)</u>
<b>Gross profit</b>		4,607,866	4,707,941
Administrative expenses		<u>(2,357,547)</u>	<u>(2,193,200)</u>
<b>Operating profit</b>	<b>3</b>	2,250,319	2,514,741
Other interest receivable and similar income	<b>4</b>	<u>71,476</u>	<u>83,771</u>
<b>Profit on ordinary activities before taxation</b>		2,321,795	2,598,512
Tax on profit on ordinary activities	<b>5</b>	<u>(405,197)</u>	<u>(596,309)</u>
<b>Profit for the year</b>	<b>13</b>	<u><u>1,916,598</u></u>	<u><u>2,002,203</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 13 to 22 form part of these financial statements.

**Gas Strategies Group Limited**

**Balance sheet**

**As at 31 December 2014**

	Notes	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Tangible assets	7		439,716		545,507
Investments	8		200		200
			<u>439,916</u>		<u>545,707</u>
<b>Current assets</b>					
Debtors	9	3,822,700		3,736,834	
Cash at bank and in hand		<u>1,891,006</u>		<u>2,592,379</u>	
		5,713,706		6,329,213	
<b>Creditors: amounts falling due within one year</b>	10	<u>(1,376,562)</u>		<u>(1,944,458)</u>	
<b>Net current assets</b>			<u>4,337,144</u>		<u>4,384,755</u>
<b>Total assets less current liabilities</b>			<u>4,777,060</u>		<u>4,930,462</u>
<b>Capital and reserves</b>					
Called up share capital	12		400,000		400,000
Share premium account	13		43,012		43,012
Profit and loss account	13		<u>4,334,048</u>		<u>4,487,450</u>
<b>Shareholders' funds</b>	14		<u>4,777,060</u>		<u>4,930,462</u>

The notes on pages 13 to 22 form part of these financial statements.

Approved by the Board and authorised for issue on ...*11<sup>th</sup> March 2015*...

*P. Breen*  
.....

Patrick Breen  
Director

Company Registration No. 2225820

**Gas Strategies Group Limited**

**Cash flow statement**

**For the year ended 31 December 2014**

	Notes	£	2014 £	£	2013 £
<b>Net cash inflow from operating activities</b>	<b>19</b>		<b>1,888,640</b>		<b>2,833,256</b>
<b>Returns on investments and servicing of finance</b>					
Interest received		<u>1,476</u>		<u>13,771</u>	
<b>Net cash inflow for returns on investments and servicing of finance</b>			<b>1,476</b>		<b>13,771</b>
<b>Taxation</b>			<b>(477,068)</b>		<b>(587,051)</b>
<b>Capital expenditure</b>					
Payments to acquire tangible assets		<u>(44,421)</u>		<u>(16,064)</u>	
<b>Net cash outflow for capital expenditure</b>			<b>(44,421)</b>		<b>(16,064)</b>
<b>Equity dividends paid</b>			<b>(2,070,000)</b>		<b>(3,555,000)</b>
<b>Net cash outflow before management of liquid resources and financing</b>			<b>(701,373)</b>		<b>(1,311,088)</b>
<b>Decrease in cash in the year</b>	<b>20, 21</b>		<b><u>(701,373)</u></b>		<b><u>(1,311,088)</u></b>

**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

**1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

**1.3 Turnover**

Turnover represents the amounts receivable in respect of goods and services supplied net of VAT and discounts.

The value of Consulting services is recognised as the services are rendered, including revenues based on fixed prices and contractual man-day rates. Incentive performance revenues are recognised upon completion of agreed objectives. Training course delegate fees are recognised upon completion of the training course. Information Services revenues are recognised on a straight line basis over the subscription term.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	Over the term of the lease
Fixtures, fittings & equipment	25% and 33.33% using the straight line basis

**1.5 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**1.7 Pensions**

The company contributes towards a group personal pension scheme for its employees. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

**1.8 Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.



Notes to the financial statements (continued)

For the year ended 31 December 2014

**1 Accounting policies**

(continued)

**1.9 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

**1.10 Group accounts**

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by Section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Gas Strategies Holdings Limited, a company incorporated in England and Wales, and is included in the consolidated financial statements of that company.

**2 Turnover**

In the opinion of the directors it would be seriously prejudicial to disclose the turnover by geographical area.

**3 Operating profit**

**2014**

**2013**

£

£

Operating profit is stated after charging:

Depreciation of tangible assets

150,212

152,722

Loss on foreign exchange transactions

71,630

-

Operating lease rentals

165,979

155,691

and after crediting:

Profit on foreign exchange transactions

-

(28,755)

**Auditors' remuneration**

Fees payable to the company's auditor for the audit of the company's annual accounts

15,500

15,500

- other services relating to taxation

6,500

6,500

- other advisory services

11,850

18,950

33,850

40,950

**Gas Strategies Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2014**

<b>4</b>	<b>Investment income</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Bank interest	1,476	13,771
	Other interest	70,000	70,000
		<u>71,476</u>	<u>83,771</u>
<b>5</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	494,560	596,309
	Adjustment for prior years	(89,363)	-
	<b>Total current tax</b>	<u>405,197</u>	<u>596,309</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>2,321,795</u>	<u>2,598,512</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.50% (2013 - 23.25%)	<u>499,186</u>	<u>604,154</u>
	Effects of:		
	Non deductible expenses	3,388	5,673
	Short term timing differences	(3,338)	(12,688)
	Capital allowances (exceeding)/less depreciation	10,319	15,590
	Adjustments to previous periods	(89,363)	-
	Group loss relief	(14,837)	(16,333)
	Other tax adjustments	(158)	(87)
		<u>(93,989)</u>	<u>(7,845)</u>
	<b>Current tax charge for the year</b>	<u>405,197</u>	<u>596,309</u>
<b>6</b>	<b>Dividends</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	<u>2,070,000</u>	<u>3,555,000</u>

Notes to the financial statements (continued)

For the year ended 31 December 2014

**7 Tangible fixed assets**

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2014	555,304	491,632	1,046,936
Additions	-	44,421	44,421
Disposals	-	(148,068)	(148,068)
At 31 December 2014	555,304	387,985	943,289
<b>Depreciation</b>			
At 1 January 2014	144,712	356,717	501,429
On disposals	-	(148,068)	(148,068)
Charge for the year	56,328	93,884	150,212
At 31 December 2014	201,040	302,533	503,573
<b>Net book value</b>			
At 31 December 2014	354,264	85,452	439,716
At 31 December 2013	410,592	134,915	545,507

Notes to the financial statements (continued)  
For the year ended 31 December 2014

8 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2014 & at 31 December 2014	200
<b>Net book value</b>	
At 31 December 2014	200
At 31 December 2013	200

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Gas Strategies Consulting Limited	England & Wales	Ordinary	100.00
Alphatania Limited	England & Wales	Ordinary	100.00
Gas Matters Limited	England & Wales	Ordinary	100.00
Overview Outreach Limited	England & Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
	<b>Principal activity</b>		
Gas Strategies Consulting Limited	Dormant Company	100	-
Alphatania Limited	Dormant Company	-	-
Gas Matters Limited	Dormant Company	-	-
Overview Outreach Limited	Dormant Company	100	-

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2014**

<b>9 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	953,150	1,358,049
Amounts owed by parent	2,229,182	2,214,714
Other debtors	512,664	56,788
Prepayments and accrued income	127,704	107,283
	<u>3,822,700</u>	<u>3,736,834</u>

<b>10 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	394,899	335,300
Amounts owed to subsidiary undertakings	200	200
Corporation tax	179,937	251,808
Other taxes and social security costs	68,734	172,209
Accruals and deferred income	732,792	1,184,941
	<u>1,376,562</u>	<u>1,944,458</u>

Coutts & Company held a fixed and floating charge over the company's assets. As at 31 December 2014 the balance owed to Coutts & Company was £nil (2013: £nil).

**11 Pension and other post-retirement benefit commitments**  
**Defined contribution**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>88,096</u>	<u>79,453</u>

<b>12 Share capital</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
400,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>

Notes to the financial statements (continued)  
For the year ended 31 December 2014

13 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2014	43,012	4,487,450
Profit for the year	-	1,916,598
Dividends paid	-	(2,070,000)
Balance at 31 December 2014	<u>43,012</u>	<u>4,334,048</u>

14 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	1,916,598	2,002,203
Dividends	(2,070,000)	(3,555,000)
Net depletion in shareholders' funds	(153,402)	(1,552,797)
Opening shareholders' funds	<u>4,930,462</u>	<u>6,483,259</u>
Closing shareholders' funds	<u>4,777,060</u>	<u>4,930,462</u>

15 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Operating leases which expire:				
Within two to five years	-	-	4,332	-
In over five years	<u>163,848</u>	<u>163,848</u>	<u>-</u>	<u>-</u>
	<u>163,848</u>	<u>163,848</u>	<u>4,332</u>	<u>-</u>

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2014**

<b>16 Directors' remuneration</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	629,972	570,053
Company pension contributions to defined contribution schemes	15,428	14,341
	<u>645,400</u>	<u>584,394</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	577,568	534,947
Company pension contributions to defined contribution schemes	15,428	14,341
	<u>592,996</u>	<u>549,288</u>

**17 Employees**

**Number of employees**

The average monthly number of employees (including directors) during the year was:

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Administration	11	11
Client services/production	24	19
	<u>35</u>	<u>30</u>

<b>Employment costs</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,160,226	2,003,035
Social security costs	297,695	260,184
Other pension costs	88,096	79,453
	<u>2,546,017</u>	<u>2,342,672</u>

Notes to the financial statements (continued)  
For the year ended 31 December 2014

18 Control

The immediate parent company is Gas Strategies Holdings Limited. The ultimate parent company is Gas Strategies Holdings Limited. Patrick Breen is the ultimate controlling party.

19 Reconciliation of operating profit to net cash inflow from operating activities	2014	2013
	£	£
Operating profit	2,250,319	2,514,741
Depreciation of tangible assets	150,212	152,722
Increase in debtors	(15,866)	(253,411)
(Decrease)/increase in creditors within one year	(496,025)	419,204
<b>Net cash inflow from operating activities</b>	<b>1,888,640</b>	<b>2,833,256</b>

20 Analysis of net funds	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	2,592,379	(701,373)	-	1,891,006
<b>Net funds</b>	<b>2,592,379</b>	<b>(701,373)</b>	<b>-</b>	<b>1,891,006</b>

21 Reconciliation of net cash flow to movement in net funds	2014	2013
	£	£
Decrease in cash in the year	(701,373)	(1,311,088)
<b>Movement in net funds in the year</b>	<b>(701,373)</b>	<b>(1,311,088)</b>
Opening net funds	2,592,379	3,903,467
<b>Closing net funds</b>	<b>1,891,006</b>	<b>2,592,379</b>



**22 Related party relationships and transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

During the year the company invoiced £118,309 (2013: £492,948) to P J Breen Limited, Patrick Breen, a director of the company, is the principal shareholder in P J Breen Limited. At the year end P J Breen Limited owed the company £1,934 (2013: £22,319), which was included in trade debtors.

During the year, DVM Consulting Inc invoiced Gas Strategies Group Limited £38,504 (2013: £nil). David Mauro, a director of the company, is a director of DVM Consulting Ltd. At the year end, Gas Strategies Group Limited owed DVM Consulting Inc £8,361 (2013: £nil)

The Company's results are included in the consolidated results of Gas Strategies Holdings Limited, copies of whose accounts may be obtained from the Company's registered office, 10 St Bride Street, London, EC4A 4AD.