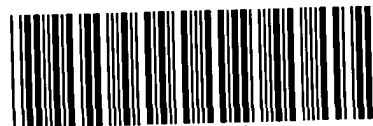


**RESOURCE AND ENVIRONMENTAL
CONSULTANTS LIMITED**
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Company Registration Number 03133832

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RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

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RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO RESOURCE AND
ENVIRONMENTAL CONSULTANTS LIMITED**

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 7, together with the financial statements of Resource and Environmental Consultants Limited for the year ended 31 December 2013 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Anthony Steiner, Senior Statutory Auditor
For and on behalf of

Baker Tilly UK Audit LLP

Baker Tilly UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

30 Sep 2014

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

Registered Number 03133832

ABBREVIATED BALANCE SHEET

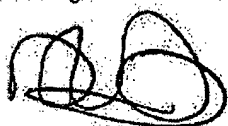
31 DECEMBER 2013

	Note	2013 £	2012 £
Fixed assets	2		
Tangible assets		311,772	324,155
Investments		1	1
		<u>311,773</u>	<u>324,156</u>
Current assets			
Stocks		14,747	6,860
Debtors	3	5,055,924	4,561,223
Cash at bank and in hand		100	861
		<u>5,070,771</u>	<u>4,568,944</u>
Creditors: Amounts falling due within one year	4	<u>(4,329,545)</u>	<u>(3,641,928)</u>
Net current assets		<u>741,226</u>	<u>927,016</u>
Total assets less current liabilities		<u>1,052,999</u>	<u>1,251,172</u>
Creditors: Amounts falling due after more than one year	5	(23,689)	(47,871)
Provisions for liabilities		(25,351)	(26,824)
		<u>1,003,959</u>	<u>1,176,477</u>
Capital and reserves			
Called-up share capital	6	1,808	1,808
Profit and loss account		1,002,151	1,174,669
Shareholders' funds		<u>1,003,959</u>	<u>1,176,477</u>

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on 29/9/2014, and are signed on their behalf by:

Mr D Wood
Director



The notes on pages 3 to 7 form part of these abbreviated accounts.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

Turnover represents the value, net of value added tax and trade discounts, of services supplied to customers during the year.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant & Machinery	- 25% reducing balance
Fixtures & Fittings	- 10% to 25% reducing balance
Motor Vehicles	- 25% reducing balance

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any permanent diminution in value

Stock and work in progress

Work in progress are valued at the lower of cost and net realisable value, after due regard for anticipated losses. Net realisable value is based on selling price less anticipated costs to completion.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet at their fair value and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

1. Accounting policies (continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Share based payment

The company has issued share options to certain employees. These financial statements have been prepared in accordance with the Financial Reporting Standard for Small Entities which does not require equity settled share based payment arrangements to be recognised as an expense.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

2. Fixed assets

	Tangible Assets £	Investments £	Total £
Cost			
At 1 January 2013	935,874	1	935,875
Additions	60,393	-	60,393
Disposals	(30,511)	-	(30,511)
At 31 December 2013	<u>965,756</u>	<u>1</u>	<u>965,757</u>
Depreciation			
At 1 January 2013	611,719	-	611,719
Charge for year	72,136	-	72,136
On disposals	(29,871)	-	(29,871)
At 31 December 2013	<u>653,984</u>	<u>-</u>	<u>653,984</u>
Net book value			
At 31 December 2013	<u>311,772</u>	<u>1</u>	<u>311,773</u>
At 31 December 2012	<u>324,155</u>	<u>1</u>	<u>324,156</u>

The company owns 100% of the issued share capital of the company listed below:-

	2013 £	2012 £
Aggregate capital and reserves		
REC CHSS Training Limited (dormant)	1	1

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

3. Debtors

Debtors include amounts of £Nil (2012 - £1,117,905) falling due after more than one year.

4. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2013 £	2012 £
Other creditors including taxation and social security	815,554	704,959
Hire purchase agreements	<u>49,734</u>	<u>36,785</u>
	<u>865,288</u>	<u>741,744</u>

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

6. Share capital (continued)
5. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2013	2012
	£	£
Hire purchase agreements	<u>23,689</u>	<u>47,871</u>

6. Share capital

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
A Ordinary shares of £0.0002 each	8,400,000	1,680	8,400,000	1,680
B Ordinary shares of £0.0002 each	600,000	120	600,000	120
C Ordinary shares of £0.0002 each	40,000	8	40,000	8
	<u>9,040,000</u>	<u>1,808</u>	<u>9,040,000</u>	<u>1,808</u>

The A Ordinary shares, the B Ordinary shares and the C Ordinary shares rank pari passu with regard to dividends.

The A Ordinary shareholders shall be entitled to receive notice of, attend and vote at any General Meeting of the company.

The B Ordinary shareholders and the C Ordinary shareholders shall not be entitled to receive notice of, attend, nor vote at any General Meeting.

In the event of an A Ordinary shareholder selling his shares either through retirement from the company or upon death, then any shares not accepted by members shall be automatically converted to fully paid Preference shares at the rate of one Preference share for every A Ordinary share. The Preference shares shall rank pari passu with all other Preference shares in issue at that time.

In the event of the company becoming listed, or in the event that an agreement is in place to sell the company, then all Preference shares currently in issue shall be converted to A Ordinary shares that rank pari passu in all respects.

In any financial year that the Preference shares are in issue, the profits of the company shall be applied in paying all shareholders a cash dividend equal to 50% of the net profit of the company and its subsidiaries for the relevant financial year.

The Preference shareholders shall be entitled to receive notice of and attend any General Meeting but cannot vote unless any dividend owed to the Preference shareholders is in arrears at the date of the meeting, or if the purpose of the meeting concerns winding up the company, or altering the share capital to the extent that the Preference shareholders are affected. In such an event the Preference shareholders shall be allowed to vote on that matter only.

In the event of the C Ordinary shareholders selling their shares either through retirement from the company or upon death being within 4 years of the date of issue of the C shares the sale price shall be equal to the nominal value of the shares so held.

Options have been granted to certain employees in respect of service under the Resource and Environmental Consultants Limited Enterprise Management Incentive Scheme ("the Scheme") at

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2013

6. Share capital (continued)

the redeemable option price of Nil pence per share.

The scheme is by invitation only and was set up on 28 October 2003. Vesting of the option is subject to continued employment. There are no performance conditions attached to the options. The exercise price of £0.0086 per share was the estimated value of the company's shares at the grant date.

At 31 December 2013 options have been granted to 3 (2012 - 4) employees in respect of 737,500 (2012: 210,000) B Ordinary shares of £0.0002 each in the company. 150,000 (2012: 230,000) options lapsed in the year, 727,500 (2012: nil) options were granted, and 100,000 options were exercised (2012 - nil).

The options are exercisable at the earlier of 5 years from the grant date or upon the sale of the company. Included in the above balance at 31 December 2013 are 507,500 (2012: 60,000) options held by Mr P Furnston. No other directors held any options at either year end.

7. Ultimate parent company and controlling party

The company was under the control of Mr D Blyth, Mr V Parr and Mr D Wood during the year and previous years. In July 2014 the company was acquired by REC Bidco Limited which became the immediate parent company at that date. From that date the ultimate parent undertaking became Project Elizabeth Topco Limited.