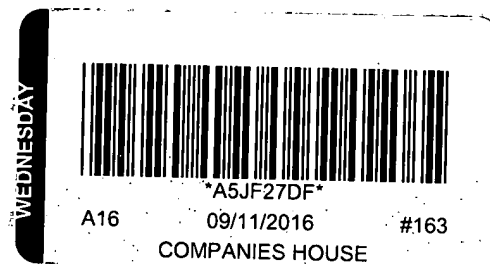


CMR CONSULTANTS LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2016



**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T H Scott
A I MacLellan
W P McDonagh

COMPANY SECRETARY

R Wardner

REGISTERED OFFICE

Edison House
Daniel Adamson Road
Salford
Manchester
M50 1DT

BANKERS

Barclays Bank plc
3 Hardman Street
Manchester
M3 3AX

SOLICITORS

Stevens & Bolton LLP
Wey House
Farnham Road
Guildford
Surrey
GU1 4YD

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

DIRECTORS' REPORT

The directors present their Annual Report and the audited financial statements for the year ended 31 March 2016.

This Directors' Report has been prepared, and the Strategic Report exemption taken, in accordance with the special provisions relating to small companies under section 417(1) of the Companies Act 2006.

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. No accounting policies needed to be changed as a consequence of adopting FRS 102, and there have been no material prior period adjustments recognised as a result of adopting FRS 102.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company during the year was the provision of energy consultancy, water consultancy and metering and data services.

The company had a busy year with the Government's new Energy Savings Opportunity Scheme ("ESOS") work during FY15/16, with turnover up 14%, and an increase in Gross Margin from 33% to 36% overall.

Operating profit has been impacted by changes in shared overhead costs following the sale of a co-located sister company during FY15/16.

The company continues to develop its consultancy services, winning business with both existing and new customers following on from past ESOS work. No significant changes in the company's operations are expected in the future.

RESULTS AND DIVIDENDS

The profit after tax for the year amounted to £61,755 (2015: £43,683) as shown on page 6. The directors do not recommend the payment of a dividend (2015: £nil). Net assets have increased from £1,053,974 to £1,115,729 as a result of the profit in the year.

GOING CONCERN

The financial statements have been prepared on the going concern basis for the reasons set out in note 1.

DIRECTORS

The directors who served during the year and thereafter are disclosed on page 1.

AUDITOR

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

- as 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 s418 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 an Annual General Meeting.

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



T H Scott
Director
21 October 2016

DIRECTORS' RESPONSIBILITIES STATEMENT

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, including FRS 102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland". 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; 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 CMR CONSULTANTS LIMITED

We have audited the financial statements of CMR Consultants Limited for the year ended 31 March 2016, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 17. 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) including FRS 102.

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 the directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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 March 2016 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 matters 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.

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 from preparing the Strategic Report or in preparing the Directors' Report.



Jane Boardman BSc FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom
21 October 2016

PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2016

	Note	2016 £	2015 £
TURNOVER	2	1,596,055	1,397,578
Cost of sales		(1,023,380)	(930,937)
GROSS PROFIT		572,675	466,641
Administrative expenses		(508,950)	(431,808)
OPERATING PROFIT	3	63,725	34,833
Interest receivable	4	21,754	21,104
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		85,479	55,937
Taxation on profit on ordinary activities	5	(23,724)	(12,254)
PROFIT FOR THE FINANCIAL YEAR		61,755	43,683

All transactions relate to continuing operations.

The company has no recognised gains or losses other than those shown in the profit and loss account for the current and previous year. Accordingly, no separate statement of other comprehensive income has been presented.

The notes set out on pages 8 to 14 form part of these financial statements.

CMR CONSULTANTS LIMITED

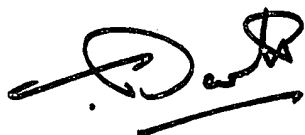
BALANCE SHEET
As at 31 March 2016

	Note	£	2016 £	2015 £
FIXED ASSETS				
Tangible assets	8		20,588	33,914
CURRENT ASSETS				
Debtors	9	420,524	607,447	
Cash at bank and in hand		1,006,405	817,018	
		<u>1,426,929</u>	<u>1,424,465</u>	
CREDITORS: amounts falling due within one year	11	<u>(384,358)</u>	<u>(470,427)</u>	
NET CURRENT ASSETS			1,042,571	954,038
Deferred tax asset	10		52,570	66,022
NET ASSETS			<u>1,115,729</u>	<u>1,053,974</u>
CAPITAL AND RESERVES				
Called-up share capital	12		10	10
Profit and loss account			1,115,719	1,053,964
SHAREHOLDER'S FUNDS			<u>1,115,729</u>	<u>1,053,974</u>

The notes set out on pages 8 to 14 form part of these financial statements.

These financial statements of CMR Consultants Limited (registered number 03192206) were approved by the Board of Directors and authorised for issue on 21 October 2016.

Signed on behalf of the Board of Directors



T H Scott
Director

STATEMENT OF CHANGES IN EQUITY
As at 31 March 2016

	Called –up capital £	Profit and loss account £	Total £
At 1 April 2014	10	1,010,281	1,010,291
Profit for the financial year	-	43,683	43,683
At 31 March 2015	10	1,053,964	1,053,974
Profit for the financial year	-	61,755	61,755
At 31 March 2016	10	1,115,719	1,115,729

The notes set out on pages 8 to 14 form part of these financial statements.

The prior year financial statements did not require restatement for material adjustments on adoption of FRS 102 in the current year. Please see note 17.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of accounting

CMR Consultants Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors' Report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The prior year financial statements were restated on adoption of FRS 102 in the current year. There were no material adjustments as a result of this transition.

The functional currency of CMR Consultants Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

CMR Consultants Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to the presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' Report.

The company is a subsidiary of the ENER-G plc group and participates in the group's centralised treasury arrangements, as well as sharing in banking arrangements with other group companies. The parent company has confirmed its intention to support the company for a period of at least twelve months from the date of signing these financial statements, to the extent required, and, having made enquiries of the parent company directors, the company directors have no reason to doubt the parent's ability to do so.

The directors consider that the company has adequate resources to continue operations for the foreseeable future, and so they continue to adopt the going concern basis in the preparation of the annual financial statements.

Turnover

Revenue is measured as the fair value of work done and goods and services provided in the normal course of business, net of discounts and VAT.

Where a contract has only been partially completed at the balance sheet date, turnover represents the value of service provided to date based on a time billed basis for consultancy services, and based on a proportion on the total contract value for other services. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year. Where customers have not been invoiced for services provided as of the year end, the amounts are recorded as Accrued Income and included as part of the Debtors due within one year.

Fixed assets

Tangible fixed assets are capitalised at cost. Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost of each asset, less estimated residual value and any provision for impairment, over its expected useful life on a straight-line basis, as follows:

Short leasehold improvements	Period of the lease
Plant and machinery	4 – 10 years
Computer and office equipment	3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

NOTES TO THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2016****1. ACCOUNTING POLICIES (CONTINUED)****Taxation**

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

Deferred taxation 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 or right to pay less tax. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the 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.

The deferred tax asset is being recognised as the group expects to have sufficient future taxable profits to allow the asset to be utilised, either by the company itself or by other group companies (by way of group relief).

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs

The company contributes to a money purchase pension scheme which is operated by an independent pension provider. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Critical accounting judgments and key sources of estimation uncertainty

In the process of applying the company's accounting policies, which are described above, directors are required to make judgements, estimates, and assumptions about the carrying amounts of assets, and liabilities that have significant effect on the amounts recognised in the accounts, that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. TURNOVER

The company's turnover relates to its principal activities, which are undertaken in the United Kingdom.

3. OPERATING PROFIT

	Note	2016	2015
		£	£
Operating profit is stated after charging/(crediting):			
Depreciation – owned assets	8	28,715	53,249
Profit on disposal of fixed assets		119	-
Rents receivable		(123,758)	(23,188)
Fees payable to the company's auditor			
- for the audit of the company's annual financial statements		7,900	7,500
- for tax advisory services		2,163	-
Operating lease rentals - other		107,649	140,157

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

4. INTEREST RECEIVABLE

	2016	2015
	£	£
Interest receivable on bank deposits	21,754	21,104

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2016	2015
	£	£
Current taxation:		
UK corporation tax payable	10,272	7,287
Adjustments in respect of previous years	-	1
Current tax charge for the year	10,272	7,288
Deferred taxation:		
Origination and reversal of timing differences	7,612	5,214
Effects of changes in tax rates	5,840	(248)
Deferred taxation (see note 10)	13,452	4,966
Tax on profit on ordinary activities	23,724	12,254

(b) Factors affecting the tax charge for the year

	2016	2015
	£	£
Profit on ordinary activities before taxation	85,479	55,937
A full tax charge on profit on ordinary activities at the standard rate of corporation tax in the UK of 20% (2015: 21%) would be:	17,096	11,747
<i>The taxation charge has been increased/(reduced) by:</i>		
Tax rate changes	5,840	(248)
Expenses not deductible for tax purposes	788	755
Total tax charge for the year (note 5a above)	23,724	12,254

Legislation to reduce the main rate of UK corporation tax to 19% and 18% was passed by parliament during the year to take effect from 1 April 2017 and 1 April 2020. Deferred tax assets and liabilities have been calculated at these substantively enacted rates where appropriate. Further rate reductions to 17% have been announced, however this rate was not substantively enacted by the Balance Sheet date and therefore not included in the calculations.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

6. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the year was:

	2016	2015
	No.	No.
Office, management and sales	6	8
Consultants	12	9
	<u>18</u>	<u>17</u>

	2016	2015
	£	£
The aggregate payroll costs during the year were:		
Wages and salaries	706,710	591,326
Social security costs	79,760	67,029
Pensions	31,494	26,422
	<u>817,964</u>	<u>684,777</u>

7. DIRECTORS' REMUNERATION

One director was remunerated by ENER-G Holdings plc for services to several companies within the group, including this company. The total of such remuneration for the year was £87,872 (2015: £87,832), but it is not practicable to allocate this between his services as an executive of the various group companies.

One director is remunerated by the company and his remuneration for the relevant period is detailed below.

	2016	2015
	£	£
Emoluments	74,973	27,547
Company contributions to money purchase pension scheme	3,721	1,499
	<u>78,694</u>	<u>29,046</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

8. TANGIBLE FIXED ASSETS

	Short leasehold improvement £	Plant and machinery £	Assets under construction £	Computer and office equipment £	Total £
Cost					
At 1 April 2015	198,128	374,160	2,553	132,512	707,353
Additions	-	837	-	14,733	15,570
Disposals	-	(12,914)	-	(48,187)	(61,101)
Reclassifications	-	-	(2,553)	2,553	-
At 31 March 2016	198,128	362,083	-	101,611	661,822
Depreciation					
At 1 April 2015	181,617	362,989	2,553	126,280	673,439
Charge for the year	16,511	6,484	-	5,720	28,715
Disposals	-	(12,914)	-	(48,006)	(60,920)
Reclassifications	-	-	(2,553)	2,553	-
At 31 March 2016	198,128	356,559	-	86,547	641,234
Net book value					
At 31 March 2016	-	5,524	-	15,064	20,588
At 31 March 2015	16,511	11,171	-	6,232	33,914

9. DEBTORS

	2016 £	2015 £
Due within one year:		
Trade debtors	240,258	308,975
Prepayments and accrued income	174,593	282,779
Amounts owing by group undertakings	5,673	15,693
	420,524	607,447

NOTES TO THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2016****10. DEFERRED TAXATION ASSET**

	2016 £	2015 £
At 1 April	66,022	70,988
Charge to profit and loss account	(13,452)	(4,966)
At 31 March	<u>52,570</u>	<u>66,022</u>

The deferred tax asset is being recognised as the group expects to have sufficient future taxable profits to allow the asset to be utilised, either by the company itself or by other group companies (by way of group relief). Effective receipt is expected to be in a period greater than 12 months.

	2016 £	2015 £
The deferred taxation asset at 31 March consists of:		
Fixed asset timing differences	<u>52,570</u>	<u>66,022</u>

11. CREDITORS

	2016 £	2015 £
Amounts falling due within one year		
Trade creditors	67,265	59,380
Corporation tax	10,272	-
Other taxation and social security costs	75,233	69,219
Other creditors	-	5,000
Accruals and deferred income	231,588	287,102
Amounts owing to group undertakings	-	49,726
	<u>384,358</u>	<u>470,427</u>

Amounts owed by group undertakings includes £nil (2015: £31,947) for group relief surrendered.

12. SHARE CAPITAL

	2016 £	2015 £
Allotted, called-up and fully paid		
10 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)**For the year ended 31 March 2016****13. OPERATING LEASE COMMITMENTS**

The following total payments are committed in respect of assets held under operating lease contracts:

	Land and buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Leases expiring next year	-	31,459	472	1,812
Leases expiring between two and five years	176,995	256,092	52,398	23,599
	<u>177,995</u>	<u>287,551</u>	<u>52,870</u>	<u>25,411</u>

14. CONTINGENT LIABILITIES

Under ENER-G Holdings plc banking arrangements, each participating group company jointly and severally cross-guarantees the liabilities of all other participating group companies. The company is a participating member under the banking agreements. At the balance sheet date the maximum potential liability cross-guaranteed was £2,386,338 (2015: £2,913,635).

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent company is ENER-G plc, a company incorporated in Great Britain and registered in England and Wales. The company's immediate parent company is ENER-G Holdings plc, a company incorporated in Great Britain and registered in England and Wales.

The accounts of the smallest and largest Group in which this entity is consolidated are those of its immediate parent company, ENER-G Holdings plc, a company incorporated in Great Britain and registered in England and Wales.

Group financial statements for ENER-G Holdings plc are available from Companies House, Crown Way, Cardiff, CF4 3UZ.

16. RELATED PARTY TRANSACTIONS

The company has claimed the exemption contained in FRS 102, which is available to wholly-owned subsidiaries, not to disclose related party transactions with other members of the group.

17. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 was therefore 1 April 2014. No changes needed to be made to accounting policies as a consequence of adopting FRS 102. There have been no material prior period adjustments recognised as a result of adopting FRS 102.