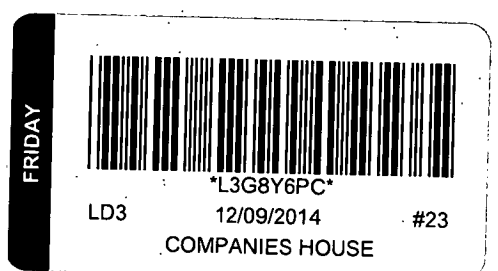


Registration number: 03879511

EnergyMGT UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2013



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**EnergyMGT UK Limited
Company Information**

Directors	G E Barnes G P Martin
Company secretary	A D C Westley
Registered office	11th Floor Colmore Plaza 20 Colmore Circus Queensway Birmingham West Midlands B4 6AT
Auditor	Deloitte LLP London United Kingdom

EnergyMGT UK Limited
Strategic Report for the Year Ended 31 December 2013

The Directors present their strategic report for the year ended 31 December 2013.

Principal activity

The principal activity of the Company is that of data management services.

Fair review of the business

Turnover for the year ended 31 December 2013 was £330,000 (year ended 31 December 2012: £387,000). The operating loss for the year ended 31 December 2013 was £134,000 (year ended 31 December 2012: loss of £115,000). The retained loss for the year ended 31 December 2013 was £134,000 (year ended 31 December 2012: loss of £104,000).

The 2013 results demonstrate the transitional phase that the Company is going through as it seeks to find its place providing added value and a delivery point for managed services within the Group.

Other than as mentioned above, the directors and group management do not consider it necessary, for an understanding of the development, or position of the business, for the Company to provide any further detailed key performance indicators, including information relating to environmental and employee matters. The Company considers its key performance indicators to be in line with those of Melrose Industries PLC as disclosed in the Strategic Report of the 2013 Annual Report.

On 28 November 2012, management of the ultimate controlling party Melrose Industries PLC approved a restructuring plan such that the Company's trade, assets and liabilities will be transferred to Energy ICT Limited, another company within the Melrose Group. After the transfer, the Directors intend to liquidate the Company in due course.

Principal risks and uncertainties

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

The Company's principal financial assets are bank balances and trade receivables.

The Company's credit risk is primarily attributable to its trade receivables and receivables from other Group undertakings. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

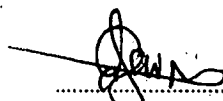
In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company ensures regular communication with other Group companies.

EnergyMGT UK Limited
Strategic Report for the Year Ended 31 December 2013

Going concern

The Directors expect that the trade of the Company will be transferred into a fellow Group company and the Company will be liquidated in due course following completion of the transfer. These financial statements have therefore been prepared on a basis other than that of a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Approved by the Board on 26 August 2014 and signed on its behalf by:


.....
G E Barnes
Director

EnergyMGT UK Limited
Directors' Report for the Year Ended 31 December 2013

The Directors present their report and the audited financial statements for the year ended 31 December 2013.

Directors of the company

The directors who held office during the year were as follows:

G E Barnes

G P Martin

Dividends

The Directors do not recommend the payment of a dividend in the year (year ended 31 December 2012: paid a dividend of £100,000).

Employment of disabled persons

It is the policy of the Company to give full and fair consideration to applications made by disabled persons for job vacancies, where particular job requirements are within their ability and, where possible, arrangements are made for the continuing employment of employees who have become disabled.

Employee involvement

The Company has developed a wide range of voluntary practices and procedures for employee involvement. The Company encourages this approach to provide information and consultation and believes this promotes understanding of the issues facing the individual business in which the employee works.

It is Company policy to achieve and maintain a high standard of health and safety by all practical means and the active involvement of employees in matters of health and safety is encouraged.

Directors' indemnities

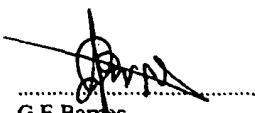
The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the year and at the date of this report.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board on 26 August 2014 and signed on its behalf by:


G E Barnes
Director

EnergyMGT UK Limited
Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EnergyMGT UK Limited
Independent Auditor's Report to the members of EnergyMGT UK Limited

We have audited the financial statements of EnergyMGT UK Limited for the year ended 31 December 2013 which have been prepared on a basis other than going concern, set out on pages 8 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), 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 (APB'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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss 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.

Emphasis of matter - Financial statements prepared other than on a going concern basis

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

Opinion on other matter prescribed by the Companies Act 2006

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

EnergyMGT UK Limited
Independent Auditor's Report to the members of EnergyMGT UK Limited

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.



.....
Nigel J Mercer (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Chartered Accountants and Statutory Auditor

London
United Kingdom

26 August 2014

EnergyMGT UK Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £ 000	2012 £ 000
Turnover	2	330	387
Administrative expenses		<u>(464)</u>	<u>(502)</u>
Operating loss	3	<u>(134)</u>	<u>(115)</u>
Loss on ordinary activities before taxation		(134)	(115)
Tax on loss on ordinary activities	7	<u>-</u>	<u>11</u>
Loss for the financial year	13	<u>(134)</u>	<u>(104)</u>

The above results derive from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

EnergyMGT UK Limited
(Registration number: 03879511)
Balance Sheet as at 31 December 2013

	Note	2013 £ 000	2012 £ 000
Fixed assets			
Tangible assets	8	6	10
Current assets			
Debtors	9	150	221
Cash at bank and in hand		46	26
		<u>196</u>	<u>247</u>
Creditors: Amounts falling due within one year	10	<u>(413)</u>	<u>(332)</u>
Net current liabilities		<u>(217)</u>	<u>(85)</u>
Total assets less current liabilities		(211)	(75)
Provisions for liabilities	11	-	(2)
Net liabilities		<u>(211)</u>	<u>(77)</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	<u>(212)</u>	<u>(78)</u>
Shareholders' deficit	14	<u>(211)</u>	<u>(77)</u>

Approved and authorised for issue by the Board on 26 August 2014 and signed on its behalf by:


 G E Barnes
 Director

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently.

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom law and accounting standards, and on a basis other than that of a going concern as described in the Strategic Report.

Exemption from preparing a cash flow statement

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Going concern

The Directors expect that the trade of the Company will be transferred into a fellow Group company and the Company will be liquidated in due course following completion of the transfer. These financial statements have therefore been prepared on a basis other than that of a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the Company exclusive of value added taxes. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of goods.

Revenue from servicing and repair of assets which remain the property of their owners during the work is recognised over the period in which the service is provided.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty.

Tangible fixed assets and depreciation

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

Asset class

Plant and equipment

Depreciation rate

3 years

Impairment

Fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects the current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Taxation

Current tax, including UK corporation tax and foreign 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 tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 not recognised when fixed assets are revalued unless by the Balance Sheet date there is a binding agreement to sell the revalued asset and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Profit and Loss Account with the exception of differences on foreign currency borrowings, to the extent that they are used to finance or provide a hedge against foreign equity investments, which are taken directly to reserves together with the exchange difference on the carrying amount on the related investments. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in reserves.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at the foreign exchange rates ruling at the dates the fair values were determined.

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies (continued)

Hire purchase and leasing

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

Assets obtained under hire purchase contracts and leases which result in the transfer to the Company of substantially all the risks and rewards of ownership (finance leases) are capitalised as tangible fixed assets at the estimated present value of underlying lease payments and are depreciated over their expected useful lives or over the primary lease period, whichever is the shorter, in accordance with the above policy. The capital elements of future lease obligations are recorded as liabilities whilst the finance element of the rental payments are charged to the Profit and Loss Account over the period of the lease or hire purchase contract so as to produce a constant rate of charge on the outstanding balance of the net obligation in each year.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The Company operates a defined contribution pension scheme. Pension costs for the defined contribution pension scheme are recognised within operating profit or loss at an amount equal to the contributions payable to the scheme for the year. Any prepaid or outstanding contributions at the Balance Sheet date are recognised respectively as assets or liabilities within prepayments or accruals.

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

2 Turnover

An analysis of turnover by geographical location by destination is given below:

	UK £ 000	Europe £ 000	North America £ 000	Rest of World £ 000	Total £ 000
2013					
External turnover	<u>246</u>	<u>9</u>	<u>49</u>	<u>26</u>	<u>330</u>

	UK £ 000	Europe £ 000	North America £ 000	Rest of World £ 000	Total £ 000
2012					
External turnover	<u>328</u>	<u>11</u>	<u>18</u>	<u>30</u>	<u>387</u>

Turnover is derived from a single business segment, being that of data management services.

3 Operating loss

Operating loss is stated after charging/(crediting):

	2013 £ 000	2012 £ 000
Foreign currency losses	3	2
Depreciation of owned assets	<u>5</u>	<u>4</u>

4 Auditor's remuneration

	2013 £ 000	2012 £ 000
Audit of the financial statements	<u>2</u>	<u>2</u>
Fees payable to the company's auditor and its associates for other services:		
Other services	<u>-</u>	<u>2</u>

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

5 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2013 No.	2012 No.
Production	11	10
Distribution	1	1
	<u>12</u>	<u>11</u>

The aggregate payroll costs were as follows:

	2013 £ 000	2012 £ 000
Wages and salaries	306	292
Social security costs	29	28
Pension costs	2	1
	<u>337</u>	<u>321</u>

6 Directors' remuneration

The Directors received no remuneration for their services to the Company during the year (year ended 31 December 2012: £nil). The Directors of the Company who served during the year were also Directors of a number of the companies within the Melrose Group and as such remuneration of directors is borne by a fellow company.

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

7 Taxation

Tax on loss on ordinary activities

	2013 £ 000	2012 £ 000
Current tax		
UK corporation tax charge	-	(9)
Adjustments in respect of previous years	-	(2)
UK Corporation tax	-	(11)
Total current tax	-	(11)
Total tax on loss on ordinary activities	-	(11)

Factors affecting current tax charge for the year

The tax on loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK (2012: higher than the standard rate of corporation tax in the UK) of 23.25% (2012: 24.5%).

The differences are reconciled below:

	2013 £ 000	2012 £ 000
Loss on ordinary activities before tax	(134)	(115)
Corporation tax at standard rate	(31)	(28)
Depreciation in excess of capital allowances	1	-
Adjustment for prior periods	-	2
Withholding taxes	-	(13)
Creation of tax losses	-	28
Group relief at nil consideration	30	-
Total current tax	-	(11)

Factors that may affect future tax charges

The 2012 Budget (delivered on 21 March 2012) reduced the main rate of UK corporation tax from 26% to 24%, with effect from 1 April 2012. A further reduction in the corporation tax rate to 23%, effective from 1 April 2013, was substantively enacted on 3 July 2012. Further future reductions in the main tax rate to 21% from 1 April 2014 and to 20% from 1 April 2015 have also been substantively enacted at the balance sheet date.

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

8 Tangible fixed assets

	Plant and equipment £ 000	Total £ 000
Cost		
At 1 January 2013	31	31
Additions	<u>1</u>	<u>1</u>
At 31 December 2013	<u>32</u>	<u>32</u>
Depreciation		
At 1 January 2013	21	21
Charge for the year	<u>5</u>	<u>5</u>
At 31 December 2013	<u>26</u>	<u>26</u>
Net book value		
At 31 December 2013	<u>6</u>	<u>6</u>
At 31 December 2012	<u>10</u>	<u>10</u>

9 Debtors

	2013 £ 000	2012 £ 000
Trade debtors	132	44
Amounts owed by group undertakings	16	127
Prepayments and accrued income	2	-
Corporation tax	<u>-</u>	<u>50</u>
	<u>150</u>	<u>221</u>

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

10 Creditors: Amounts falling due within one year

	2013 £ 000	2012 £ 000
Trade creditors	1	-
Amounts owed to group undertakings	337	276
Other taxes and social security	30	10
Other creditors	18	17
Accruals and deferred income	27	29
	<u>413</u>	<u>332</u>

11 Provisions

	Warranty £ 000	Total £ 000
At 1 January 2013	2	2
Amounts unused and reversed	<u>(2)</u>	<u>(2)</u>
At 31 December 2013	<u>-</u>	<u>-</u>

Explanation of provisions

The Company offers standard warranties on its products and services. The estimated cost of warranty claims is accrued as a provision based on management's estimate of future liabilities based on historical and projected claims. Management continually evaluate the sufficiency of the provision and makes any adjustment when necessary.

12 Share capital

Allotted, called up and fully paid shares

	No.	2013 £ 000	No.	2012 £ 000
Ordinary shares of £1 each	<u>1,000</u>	<u>1</u>	<u>1,000</u>	<u>1</u>

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

13. Reserves

	Profit and loss account £ 000	Total £ 000
At 1 January 2013	(78)	(78)
Loss for the year	<u>(134)</u>	<u>(134)</u>
At 31 December 2013	<u>(212)</u>	<u>(212)</u>

14 Reconciliation of movement in shareholders' funds

	2013 £ 000	2012 £ 000
Loss attributable to the members of the company	(134)	(104)
Dividends	<u>-</u>	<u>(100)</u>
Net reduction to shareholders funds	(134)	(204)
Shareholders' (deficit)/funds at 1 January	<u>(77)</u>	<u>127</u>
Shareholders' deficit at 31 December	<u>(211)</u>	<u>(77)</u>

EnergyMGT UK Limited
Notes to the Financial Statements for the Year Ended 31 December 2013

15 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £2,000 (2012: £1,000).

There were no amounts prepaid or payable to the scheme at the end of the current year or the prior year.

16 Obligations under leases

Operating lease commitments

As at 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2013 £ 000	2012 £ 000
Other		
Within one year	3	-
Within two to five years	-	3
	<u>3</u>	<u>3</u>

17 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

18 Control

The immediate parent company is Energy ICT Limited, which is incorporated in England and Wales.

The ultimate parent company and controlling party is Melrose Industries PLC, which is incorporated in England and Wales.

The smallest and largest group in which results of the Company are consolidated is that headed by Melrose Industries PLC. Consolidated financial statements are available from the 11th Floor, Colmore Plaza, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT.