

Registration number: 03879511

# EnergyMGT UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2014



## **EnergyMGT UK Limited**

### **Contents**

Company Information	1
Strategic Report	2 to 3
Directors' Report	4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 to 7
Profit and Loss Account	8
Balance Sheet	9
Notes to the Financial Statements	10 to 17

**EnergyMGT UK Limited**  
**Company Information**

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

## **EnergyMGT UK Limited**

### **Strategic Report for the Year Ended 31 December 2014**

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

#### **Principal activity**

The principal activity of the Company was that of data management services. Following the transfer of the Company's trade, assets and liabilities to Energy ICT Limited, the Company has ceased to trade.

#### **Fair review of the business**

Turnover for the year ended 31 December 2014 was £194,000 (year ended 31 December 2013: £330,000). The operating loss for the year ended 31 December 2014 was £1,000 (year ended 31 December 2013: loss of £134,000). The retained loss for the year ended 31 December 2014 was £1,000 (year ended 31 December 2013: loss of £134,000).

On 30 June 2014 the Company's trade, assets and liabilities were transferred to Energy ICT Limited, another company within the Melrose Industries PLC Group. In accordance with FRS 6 "Acquisitions and mergers", the assets acquired and liabilities assumed were transferred at their net book value. Following this transfer, the Directors intend to liquidate the Company in due course.

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 2014 Annual Report.

#### **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 other receivables.

The Company has no significant concentration of credit risk.

##### ***Liquidity risk***

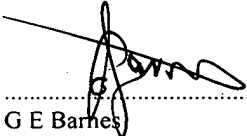
In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company ensures regular communication with other Group companies.

**EnergyMGT UK Limited**  
**Strategic Report for the Year Ended 31 December 2014**

**Going concern**

The trade of the Company has been transferred to a fellow Group company and the Directors expect that the Company will now be liquidated in due course. 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 11 September 2015 and signed on its behalf by:

  
.....  
G E Barnes  
Director

**EnergyMGT UK Limited**  
**Directors' Report for the Year Ended 31 December 2014**

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

**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 2013: £nil).

**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**

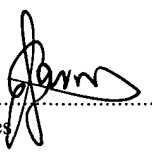
The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the year and 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 11 September 2015 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 2014, set out on pages 8 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).

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 2014 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.

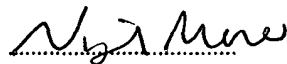


**EnergyMGT UK Limited**  
**Independent Auditor's Report to the members of EnergyMGT UK Limited**

**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

11 September 2015

**EnergyMGT UK Limited**  
**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £ 000	2013 £ 000
Turnover	2	194	330
Administrative expenses		<u>(195)</u>	<u>(464)</u>
Operating loss	3	<u>(1)</u>	<u>(134)</u>
Loss on ordinary activities before taxation		(1)	(134)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
Loss for the financial year	12	<u><u>(1)</u></u>	<u><u>(134)</u></u>

On 30 June 2014 the Company's trade, assets and liabilities were transferred to Energy ICT Limited, another company within the Melrose Industries PLC Group. As a result of this transfer, the Company's operations have been classified as discontinued.

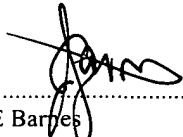
The company has no recognised gains or losses for the year other than the results above.

The notes on pages 10 to 17 form an integral part of these financial statements.

**EnergyMGT UK Limited**  
**(Registration number: 03879511)**  
**Balance Sheet as at 31 December 2014**

	Note	2014 £ 000	2013 £ 000
<b>Fixed assets</b>			
Tangible assets	8	-	6
<b>Current assets</b>			
Debtors	9	1	150
Cash at bank and in hand		-	46
		1	196
Creditors: Amounts falling due within one year	10	(213)	(413)
Net current liabilities		(212)	(217)
Net liabilities		(212)	(211)
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Profit and loss account	12	(213)	(212)
Shareholders' deficit	13	(212)	(211)

Approved and authorised for issue by the Board on 11 September 2015 and signed on its behalf by:

  
 .....  
 G E Barnes  
 Director

**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**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 trade of the Company has been transferred to a fellow Group company and the Directors expect that the Company will now be liquidated in due course. 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:

<b>Asset class</b>	<b>Depreciation rate</b>
Plant and equipment	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 2014**

**1 Accounting policies (continued)**

**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.

**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.

**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**1 Accounting policies (continued)**

**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.

**2 Turnover**

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

	UK	Europe	North America	Total
	£ 000	£ 000	£ 000	£ 000
<b>2014</b>				
External turnover	<u>121</u>	<u>21</u>	<u>52</u>	<u>194</u>

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

	2014	2013
	£ 000	£ 000
Foreign currency losses	4	3
Depreciation of owned assets	<u>2</u>	<u>5</u>

**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**4 Auditor's remuneration**

	2014 £ 000	2013 £ 000
Audit of the financial statements	<u>2</u>	<u>2</u>

The fees payable to the Company's auditor for the audit of the financial statements for the year ended 31 December 2014 were borne by a fellow Group undertaking.

**5 Particulars of employees**

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

	2014 No.	2013 No.
Production	5	11
Distribution	<u>1</u>	<u>1</u>
	<u>6</u>	<u>12</u>

The aggregate payroll costs were as follows:

	2014 £ 000	2013 £ 000
Wages and salaries	144	306
Social security costs	16	29
Pension costs	<u>2</u>	<u>2</u>
	<u>162</u>	<u>337</u>

**6 Directors' remuneration**

The Directors received no remuneration for their services to the Company during the year (year ended 31 December 2013: £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 2014**

**7 Taxation**

**Tax on loss on ordinary activities**

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Total current tax	-	-
Total tax on loss on ordinary activities	-	-

**Factors affecting current tax charge for the year**

The tax on loss on ordinary activities for the year is the same as the standard rate of corporation tax in the UK (2013: higher than the standard rate of corporation tax in the UK) of 21.5% (2013: 23.25%).

The differences are reconciled below:

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Loss on ordinary activities before tax	(1)	(134)
Corporation tax at standard rate	-	(31)
Depreciation in excess of capital allowances	-	1
Group relief at nil consideration	-	30
Total current tax	-	-



**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**8 Tangible fixed assets**

	<b>Plant and equipment £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>		
At 1 January 2014	32	32
Disposals	<u>(32)</u>	<u>(32)</u>
At 31 December 2014	<u>-</u>	<u>-</u>
<b>Depreciation</b>		
At 1 January 2014	26	26
Charge for the year	2	2
Eliminated on disposals	<u>(28)</u>	<u>(28)</u>
At 31 December 2014	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 31 December 2014	<u>-</u>	<u>-</u>
At 31 December 2013	<u>6</u>	<u>6</u>

**9 Debtors**

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Trade debtors	-	132
Amounts owed by group undertakings	-	16
Other debtors	1	-
Prepayments and accrued income	<u>-</u>	<u>2</u>
	<u>1</u>	<u>150</u>

**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**10 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade creditors	-	1
Amounts owed to group undertakings	213	337
Other taxes and social security	-	30
Other creditors	-	18
Accruals and deferred income	-	27
	<u>213</u>	<u>413</u>

**11 Share capital**

**Allotted, called up and fully paid shares**

	<b>No.</b>	<b>2014</b>	<b>No.</b>	<b>2013</b>
		<b>£ 000</b>		<b>£ 000</b>
Ordinary shares of £1 each	<u>1,000</u>	<u>1</u>	<u>1,000</u>	<u>1</u>

**12 Reserves**

	<b>Profit and loss</b>	<b>Total</b>
	<b>account</b>	<b>£ 000</b>
	<b>£ 000</b>	<b>£ 000</b>
At 1 January 2014	(212)	(212)
Loss for the year	<u>(1)</u>	<u>(1)</u>
At 31 December 2014	<u>(213)</u>	<u>(213)</u>

**13 Reconciliation of movement in shareholders' funds**

	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>
Loss attributable to the members of the company	<u>(1)</u>	<u>(134)</u>
Shareholders' deficit at 1 January	<u>(211)</u>	<u>(77)</u>
Shareholders' deficit at 31 December	<u>(212)</u>	<u>(211)</u>

**EnergyMGT UK Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2014**

**14 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 (2013: £2,000).

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

**15 Obligations under leases**

**Operating lease commitments**

As at 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

**Operating leases which expire:**

	2014 £ 000	2013 £ 000
<b>Other</b>		
Within one year	<u>-</u>	<u>3</u>

**16 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.

**17 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.

On 28 July 2015 the ultimate parent company and controlling party, Melrose Industries PLC, announced that it had signed an agreement for the disposal of its Elster businesses to Honeywell International Inc. The disposal is conditional, amongst other things, upon obtaining regulatory clearances in the relevant jurisdictions in which Elster operates.