

CLOUDS ENVIRONMENTAL CONSULTANCY LIMITED

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2014



Company Registration Number 04179455 (England and Wales)

CLOUDS ENVIRONMENTAL CONSULTANCY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS

PAGES

Company information	3
Report of the Directors	4 - 5
Report of the Independent Auditors	6 - 7
Profit and Loss Account	8
Balance Sheet	9
Notes to the Financial Statements	10 – 14

Clouds Environmental Consultancy Limited

Company Information

For the year ended 31 July 2014

Directors

S Burnett
C Peat
A Richardson
T Hipperson

Company Secretary

S Burnett

Registered office

Utilitywise House
3 & 4 Cobalt Park Way
Cobalt Business Park
North Tyneside
NE28 9EJ

Business address

Unit 2.1 Central Point
Kirpal Road
Portsmouth
PO3 6FH

Registered number

04179455 (England and Wales)

Statutory auditors

BDO LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5RU

Clouds Environmental Consultancy Limited
Report of the Directors
For the year ended 31 July 2014

The directors present their report together with the financial statements for the year ended 31 July 2014.

Results

The profit and loss account is set out on page 8 and shows the result for the year.

Principal activities

The principal activity of the company in the year under review continued to be that of energy and environmental consumption consultancy.

Directors

The directors of the company during the year were:

S Burnett

C Peat

A Richardson

T Hipperson

Directors' responsibilities

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

Company law requires the directors to prepare the financial statements for each financial year. Under the law the directors have elected to prepare the financial the financial statement 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 year.

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;
- 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 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.

Auditor

Each of the Directors at the date of approval of this Annual Report confirms that:

- So 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 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 section 418 of the Companies Act 2006.

BDO LLP were appointed during the year and have expressed their willingness to continue in office as auditor and a resolution to re-appoint BDO LLP will be proposed at the forthcoming AGM.

In preparing this directors' report advantage has been taken of the small companies' exemption.

Approved by the Board of Directors and signed on behalf of the Board on 3 December 2014.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A Richardson', with a large, sweeping flourish at the end.

A Richardson - Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLOUDS ENVIRONMENTAL CONSULTANCY LIMITED

We have audited the financial statements of Clouds Environmental Consultancy Limited for the year ended 31 July 2014 which comprise of the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 July 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; 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 prepare the financial statements and the directors' report in accordance with the small companies regime, and to the exemption from the requirement to prepare a strategic report.



Paul Davies (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
1 Bridgewater Place
Water Lane
Leeds
LS11 5RU
United Kingdom

Date: 9 December 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Clouds Environmental Consultancy Limited

Profit and Loss Account for the Year Ended 31 July 2014

		12 months ended 31 July 2014	15 months ended 31 July 2013 Restated
	Notes	£	£
Turnover		958,672	1,206,246
Cost of sales		754,624	807,836
Gross profit		204,048	398,410
Administrative expenses		193,719	252,807
Operating profit	2	10,329	145,603
Interest receivable		45	14
Interest payable and other similar charges		160	154
Profit on ordinary activities before taxation		10,214	145,463
Tax on profit on ordinary activities	3	(4,220)	39,788
Profit for the financial year		14,434	105,675

Continuing Operations

None of the company's activities were acquired or discontinued during the current year or previous year.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes on pages 10 to 14 form part of these financial statements

Clouds Environmental Consultancy Limited
Balance Sheet
31 July 2014
Company Registration Number 04179455

		31 July 2014	31 July 2013
	Notes	£	£
Fixed assets			
Tangible assets	4	14,676	14,110
		14,676	14,110
Current assets			
Debtors	5	316,415	258,688
Cash at bank and in hand		292,388	149,859
		608,803	408,547
Creditors			
Amounts falling due within one year	6	394,621	206,318
Net current assets		214,182	202,229
Total assets less current liabilities		228,858	216,339
Provision for liabilities	7	-	1,915
Net assets		228,858	214,424
Capital and reserves			
Called up share capital	8	200	200
Profit and loss account	9	228,658	214,224
Shareholders' funds	15	228,858	214,424

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

The financial statements were approved by the Board of Directors on 3 December 2014 and were signed on its behalf by:



A Richardson – Director

The notes on pages 10 to 14 form part of these financial statements

Clouds Environmental Consultancy Limited

Year Ended 31 July 2014

1. Accounting policies

Basis of preparing the financial statements

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

Comparative figures

Following acquisition a review of the basis of cost allocations in the profit and loss account has been performed to achieve a more accurate presentation. The directors have taken the decision to reclassify certain costs previously categorised as administrative expenses as cost of sales. The impact on the comparative figures for the period ended 31 July 2013 was to increase cost of sales and decrease administrative expenses by £199,882, and the profit and loss account has been restated to reflect this reclassification.

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent company includes the company in its own published consolidated financial statements.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% straight line
Leasehold property improvements	- 10% straight line

During the year, the depreciation method for the Plant and Machinery class of assets was amended from 25% reducing balance to 33% straight line in order to align the depreciation policy to group policy. This resulted in additional depreciation of £11,627 being charged to the Profit and Loss account in the year.

Fixed asset investments

Fixed asset investments are included at cost.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Operating lease rentals

Rentals payable under operating leases are charged to the profit and loss account in the year to which they relate.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2. Operating profit

Operating profit is stated after charging/(crediting):

	12 months ended 31 July 2014	15 months ended 31 July 2013
	£	£
Depreciation – owned assets	16,543	5,001
(Profit) / loss on disposal of fixed assets	-	(342)
Directors' remuneration	143,189	112,979
Pension costs	12,690	-
Auditors' remuneration	6,875	7,500

3. Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	12 months ended 31 July 2014	15 months ended 31 July 2013
	£	£
Current tax:		
UK corporation tax on profits for the period	4,578	40,539
Adjustment in respect of previous periods	(6,153)	-
	(1,575)	40,539
Deferred tax:		
Origination and reversal of timing differences	(2,506)	(751)
Adjustment in respect of previous periods	(139)	-
Adjustment in respect of previous periods	(2,645)	(751)
Tax on profit on ordinary activities	(4,220)	39,788

UK corporation tax has been charged at 22.33% (2013 – 23.67%).

Factors affecting the tax charge

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	12 months ended 31 July 2014	15 months ended 31 July 2013
	£	£
Profit on ordinary activities	10,214	145,463
Expected tax charge based on the standard rate of United Kingdom corporation tax at the domestic rate of 22.33% (2013: 23.67%)	2,043	34,431
Effects of:		
Expenses not deductible for tax purposes	29	5,219
Adjustment to tax in respect of previous periods	(6,153)	-
Depreciation in excess of capital allowances	2,506	889
Tax on profit on ordinary activities	(1,575)	40,539

4. Tangible fixed assets

	Plant and machinery £	Improvements to property £	Total £
COST			
At 1 Aug 2013	50,962	-	50,962
Additions	1,243	15,866	17,109
Disposals	-	-	-
At 31 July 2014	52,205	15,866	68,071
DEPRECIATION			
At 1 Aug 2013	36,852	-	36,852
Charge for year	15,353	1,190	16,543
Eliminated on disposal	-	-	-
At 31 July 2014	52,205	1,190	53,395
NET BOOK VALUE			
At 31 July 2014	-	14,676	14,676
NET BOOK VALUE			
At 31 July 2013	14,110	-	14,110

5. Debtors: Amounts falling due within one year

	31 July 2014 £	31 July 2013 £
Trade debtors	128,699	208,473
Amounts owed to group undertakings	124,107	
Other debtors	62,879	50,215
	<u>315,685</u>	<u>258,688</u>

All amounts shown under debtors fall due within one year.

6. Creditors: Amounts falling due within one year

	31 July 2014 £	31 July 2013 £
Trade creditors	39,590	19,593
Social security and other taxes	87,163	101,505
Corporation tax creditor	5,494	40,539
Amounts due to group undertakings	146,660	15,678
Other creditors	115,714	29,003
	<u>394,621</u>	<u>206,318</u>

7. Deferred Tax

	31 July 2014 £	31 July 2013 £
Deferred tax (asset) / liability in respect of accelerated capital allowances	(730)	1,915
	<hr/>	<hr/>
	31 July 2014 £	31 July 2013 £
At 1 August 2013	1,915	2,666
Deferred tax charge/(credit) in profit and loss account	(2,645)	(751)
	<hr/>	<hr/>
At 31 July 2014	(730)	1,915

8. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31 July 2014 £	31 July 2013 £
100	A Ordinary shares	£1	100	100
100	B Ordinary shares	£1	100	100
			<hr/>	<hr/>
			200	200
			<hr/>	<hr/>

9. Profit and loss account

	31 July 2014 £
At 1 August 2013	214,224
Profit for the year	14,434
Dividends	-
At 31 July 2014	<hr/> 228,658 <hr/>

10. Dividends

Dividends paid	<hr/> - <hr/>	<hr/> 22,400 <hr/>
----------------	---------------	--------------------

No dividends had been proposed at the balance sheet date.

11. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund and amounted to £12,690 (2013: £nil). Contributions outstanding at the current year end amounted to £8,908 (2013: £nil).

12. Operating Lease Commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	31 July 2014 £	31 July 2013 £
Operating leases which expire:		
Between one and five years	2,798	-
In over five years	23,500	23,500
	<u>26,298</u>	<u>23,500</u>

13. Related party transactions

The company has taken advantage of Financial Reporting Standard 8 and the exemption available to not disclose transactions made during the year with group companies.

During the year, dividends of £nil (31 July 2013: £11,200) were paid to S Burnett, a director and shareholder of the company on the date of declaration.

During the year, dividends of £nil (31 July 2013: £11,200) were paid to C Peat, a director and shareholder of the company on the date of declaration.

During the year the company made purchases in relation to rent from Tenon Group SSIP SA Burnett CJ Peat of £23,500 (31 July 2013: £29,375), a pension trust in which S Burnett and C Peat are members.

14. Ultimate controlling party

The ultimate controlling party is Utilitywise Plc, which is incorporated in England and Wales.

15. Reconciliation of movements in shareholders' funds

	31 July 2014 £	31 July 2013 £
Profit for the financial year	14,434	105,675
Net addition to shareholders' funds	14,434	105,675
Opening shareholders' funds	214,424	131,149
- Dividends paid	-	(22,400)
Closing shareholders' funds	<u>228,858</u>	<u>214,424</u>