

# Financial Statements

## Reform Energy Solutions Limited

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For the period ended 31 December 2012



Registered number: 06964333

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**Reform Energy Solutions Limited**

## Company Information

<b>Company number</b>	06964333
<b>Registered office</b>	1 Portland Street Manchester M1 3BE
<b>Directors</b>	D R Foran J D Potter
<b>Bankers</b>	Barclays Bank Plc Liverpool L3 9AG
<b>Solicitors</b>	Semple Fraser LLP 1 Portland Street Manchester M1 3BE
<b>Auditor</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Royal Liver Building Liverpool L3 1PS

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## **Reform Energy Solutions Limited**

# **Directors' Report**

**For the period ended 31 December 2012**

The directors present their report and the financial statements for the period ended 31 December 2012

### **Principal activity and business review**

The principal activity of the company is that of providing energy generation and efficiency solutions

The company ceased to trade in the period and is now dormant. The year end was extended from 30 June 2012 to 31 December 2012

### **Results**

The profit for the period, after taxation, amounted to £17,506 (2011 - £43,682)

### **Directors**

The directors who served during the period were

D R Foran

J D Potter

D G Birch (resigned 21 September 2011)

### **Directors' responsibilities statement**

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 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 then apply them consistently,
- make judgments and 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,
- 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.

## **Directors' Report**

**For the period ended 31 December 2012**

### **Provision of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



D R Foran  
Director

Date 18 January 2013



## Independent Auditor's Report to the Members of Reform Energy Solutions Limited

We have audited the financial statements of Reform Energy Solutions Limited for the period ended 31 December 2012, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes. 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 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 (APB'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 Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 December 2012 and of its profit for the period 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of Reform Energy Solutions 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

*Grant Thornton UK LLP*

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Liverpool

Date 18 January 2013

## Profit and Loss Account

For the period ended 31 December 2012

	Note	18 months ended 31 December 2012 £	30 June 2011 £
<b>Turnover</b>	1,2	51,923	3,680
Cost of sales		(46,764)	(1,055)
<b>Gross profit</b>		5,159	2,625
Administrative expenses		(105,565)	(68,323)
Other operating income	3	117,912	109,380
<b>Profit on ordinary activities before taxation</b>		17,506	43,682
Tax on profit on ordinary activities		-	-
<b>Profit for the financial period</b>	10	17,506	43,682

The company ceased to trade in the period and therefore the amounts shown relate to discontinued operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

The notes on pages 8 to 12 form part of these financial statements



## Balance Sheet

As at 31 December 2012

		31 December 2012		30 June 2011
	Note	£	£	£
<b>Current assets</b>				
Debtors	6	45	45,253	
Cash at bank		-	14,567	
		<u>45</u>	<u>59,820</u>	
<b>Creditors: amounts falling due within one year</b>	7	-	(44,920)	
<b>Net current assets</b>		<u>45</u>		14,900
<b>Total assets less current liabilities</b>		<u>45</u>		14,900
<b>Creditors: amounts falling due after more than one year</b>	8	-	(32,402)	
<b>Net assets/(liabilities)</b>		<u>45</u>	<u>(17,502)</u>	
<b>Capital and reserves</b>				
Called up share capital	9	45		4
Profit and loss account	10	-	(17,506)	
<b>Shareholders' funds/(deficit)</b>	11	<u>45</u>	<u>(17,502)</u>	

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



D R Foran  
Director

Date 18 January 2013

The notes on pages 8 to 12 form part of these financial statements

## Cash Flow Statement

For the period ended 31 December 2012

		18 months ended 31 December 2012 £	30 June 2011 £
Net cash flow from operating activities	12	(14,608)	14,376
Cash (outflow)/inflow before financing		(14,608)	14,376
Financing	13	41	-
(Decrease)/Increase in cash in the period		(14,567)	14,376

## Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the period ended 31 December 2012

	18 months ended 31 December 2012 £	30 June 2011 £
(Decrease)/Increase in cash in the period	(14,567)	14,376
Movement in net debt in the period	(14,567)	14,376
Net funds at 1 July 2011	14,567	191
Net funds at 31 December 2012	-	14,567

The notes on pages 8 to 12 form part of these financial statements

# Notes to the Financial Statements

For the period ended 31 December 2012

## 1. Accounting Policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards

The accounting policies remain unchanged from the previous period and are set out below

### 1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts

### 1.3 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

### 1.4 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves

# Notes to the Financial Statements

For the period ended 31 December 2012

## 2. Turnover

The whole of the turnover is attributable to the principal activity of the company

All turnover arose within the United Kingdom

## 3. Other operating income

	18 months ended 31 December 2012 £	30 June 2011 £
Write off of director loan accounts	-	109,380
Intercompany loan balance write off	117,912	-
	<u>117,912</u>	<u>109,380</u>

The company was funded by the parent company, Reform Energy Plc. As the company has ceased trading, the intercompany loan has been written off

## 4. Auditors' remuneration

	18 months ended 31 December 2012 £	30 June 2011 £
Fees payable to the company's auditor for the audit of the company's annual accounts	500	-

## 5. Wages and salaries

The company has no employees other than the directors, who did not receive any remuneration (2011 - £NIL)

## 6. Debtors

	31 December 2012 £	30 June 2011 £
Amounts owed by group undertakings	45	-
Other debtors	-	3,966
Prepayments and accrued income	-	41,287
	<u>45</u>	<u>45,253</u>

# Notes to the Financial Statements

For the period ended 31 December 2012

## 7. Creditors: Amounts falling due within one year

	31 December 2012	30 June 2011
	£	£
Trade creditors	-	13,695
Accruals and deferred income	-	31,225
	<u>-</u>	<u>44,920</u>

## 8. Creditors: Amounts falling due after more than one year

	31 December 2012	30 June 2011
	£	£
Amounts owed to group undertakings	-	32,402
	<u>-</u>	<u>32,402</u>

## 9. Share capital

	31 December 2012	30 June 2011
	£	£
<b>Allotted, called up and fully paid</b>		
9,000 (2011 - 4) Ordinary shares of £0.005 (2011 £1) each	45	4
	<u>45</u>	<u>4</u>

On 6 April 2011 each ordinary £1 share was sub-divided into 800 ordinary shares of £0.005. The company allotted and issued 8,200 ordinary shares for £0.005 each bringing the aggregate nominal value to £45.

## 10. Reserves

	Profit and loss account £
At 1 July 2011	(17,506)
Profit for the period	17,506
	<u>-</u>
At 31 December 2012	<u>-</u>

# Notes to the Financial Statements

For the period ended 31 December 2012

## 11. Reconciliation of movement in shareholders' funds

	31 December 2012	30 June 2011
	£	£
Opening shareholders' deficit	(17,502)	(61,184)
Profit for the period/year	17,506	43,682
Shares issued during the period/year	41	-
Closing shareholders' funds/(deficit)	45	(17,502)

## 12. Net cash flow from operating activities

	18 months ended 31 December 2012	30 June 2011
	£	£
Operating profit	17,506	43,682
Decrease/(increase) in debtors	45,253	(31,296)
Increase in amounts owed by group undertakings	(45)	-
(Decrease)/increase in creditors	(77,322)	1,990
Net cash (outflow)/inflow from operating activities	(14,608)	14,376

## 13. Analysis of cash flows for headings netted in cash flow statement

	18 months ended 31 December 2012	30 June 2011
	£	£
Financing		
Issue of ordinary shares	41	-

## 14. Analysis of changes in net debt

	1 July 2011	Cash flow	Other non-cash changes	31 December 2012
	£	£	£	£
Cash at bank and in hand	14,567	(14,567)	-	-
Net funds	14,567	(14,567)	-	-

## **Notes to the Financial Statements**

**For the period ended 31 December 2012**

**15. Contingent liabilities**

The directors have confirmed that there were no contingent liabilities at 31 December 2012 or 30 June 2011

**16. Capital commitments**

The directors have confirmed that there were no capital commitments at 31 December 2012 or 30 June 2011

**17. Related party transactions**

Other than the transactions as disclosed in note 3, there were no other related party transactions during the period as required under Financial Reporting Standard No 8

**18. Ultimate parent undertaking and controlling party**

The ultimate parent undertaking is Reform Energy Plc, a company registered in England and Wales