

EC Harris Services Limited

Report and Financial Statements

Year Ended 31 December 2014

Company Number: 775541

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EC Harris Services Limited

Report and financial statements for the year ended 31 December 2014

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Directors

K L Brooks
A G Brookes
M J Riley
P V Madden

Secretary and registered office

F M Duncombe

EC Harris
34 York Way
London
N1 9AB

Company number

775541

Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

EC Harris Services Limited

Strategic report for the year ended 31 December 2014

The directors present their Strategic Report and Directors' Reports together with the audited financial statements for the year ended 31 December 2014.

Principal activities

The principal activity of the company is the provision of management services to the firm of EC Harris (BAC) Limited and its subsidiary companies.

Results

The company's turnover has increased reflecting the increased underlying economic activity.

The financial results of the company set out in the profit and loss account on page 5, show a profit on ordinary activities before taxation of £35,569 (2013: £379,863).

The directors consider the company's performance during the year, and its financial position at the end of the year, to be satisfactory.

There have been no significant events since the balance sheet date and the directors are not aware, at the date of this report, of any likely changes in the company's activities in the foreseeable future.

Principal risks and uncertainties

The joint Board of EC Harris LLP and EC Harris UK (Holdings) Limited manages risk across the group, including the potential impact on the company. In particular the Board ensures that, by managing client relationships effectively, income and profit streams are maintained and accordingly the demand for management services is maintained.

The responsibility for cash management is also dealt with on a group basis with cash flow managed as part of the day to day control procedures. The joint Board EC Harris LLP and EC Harris UK (Holdings) Limited considers cash flow projections on a monthly basis and ensures that appropriate facilities are available to be drawn upon as necessary.

The company's transactions are with group companies and the Company makes no external sales of its own. Therefore, the trading of the Company is dependent upon the operational performance of other group companies. The Directors believe the Company is reliant upon the risk management strategies of other group companies and they have not formulated a risk management strategy for the Company as an individual entity in its own right.

By order of the Board



Director

A G Brookes

21 April 2015

EC Harris Services Limited

Report of the directors for the year ended 31 December 2014

Dividends

The directors do not recommend payment of a dividend (year ended 31 December 2013: £Nil).

Directors

The directors of the company during the year were:

K Brooks

M Riley

P A Youell (resigned 4 March 2014)

G Kean (resigned 4 March 2014)

A G Brookes (appointed 4 March 2014)

P V Madden (appointed 4 March 2014)

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG LLP was the appointed independent auditor during the year and will stand down at the end of the period. Pursuant to section 487 of the Companies Act 2006, PWC have been appointed as the new auditor for 2015 and will be taking over the office from KPMG LLP.

By order of the Board



Director

A G Brookes

EC Harris
34 York Way
London
N1 9AB

21 April 2015

EC Harris Services Limited

Statement of directors' responsibilities for the year ended 31 December 2014

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of EC Harris Services Limited

We have audited the financial statements of EC Harris Services Limited for the year ended 31 December 2014 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council'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 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

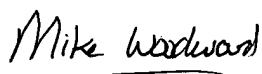
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.



Mike Woodward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

22 APRIL
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EC Harris Services Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2014 £	2013 £	2013 £
Turnover	1		19,847,942		18,059,244
Staff costs	2	(5,420,977)		(3,879,105)	
Other operating charges		(14,391,396)		(13,800,276)	
			(19,812,373)		(17,679,381)
			35,569		379,863
Profit on ordinary activities before taxation	3		35,569		379,863
Taxation on profit from ordinary activities	4		(394,761)		(193,534)
(Loss)/profit for the financial year			(359,192)		186,329

All amounts relate to continuing activities.

There are no recognised gains and losses other than those stated above, and therefore no separate statement of total recognised gains and losses has been presented.

A note on historical gains and losses has not been included as part of the financial statements as the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis.

The notes on pages 7 to 11 form part of these financial statements.

EC Harris Services Limited

Balance sheet at 31 December 2014

	Note	2014	2014	2013	2013
		£	£	£	£
Current assets					
Debtors	5	7,429,214		6,378,159	
Cash at bank and in hand		348,478		105,389	
		<u>7,777,692</u>		<u>6,483,548</u>	
Creditors: amounts falling due within one year	6	(7,665,373)		(6,012,037)	
Net current assets			112,319		471,511
Net assets			112,319		471,511
Capital and reserves					
Called up share capital	7		100,000		100,000
Profit and loss account	8		12,319		371,511
Shareholders' funds			112,319		471,511

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2015.


 Director
 A G Brookes

Company number : 775541

The notes on pages 7 to 11 form part of these financial statements.

EC Harris Services Limited

Notes forming part of the financial statements for the year ended 31 December 2014

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

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

As the company is a wholly owned subsidiary of Arcadis N.V., the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

Going concern

The directors have considered the factors that impact the company's future development, performance, cash flows and financial position along with company's current liquidity in forming their opinion on the going concern basis. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover consists of management fees chargeable and is recognised as services are delivered. Turnover is stated net of Value added tax.

Turnover is wholly attributable to the principal activity of the company and arises solely in the United Kingdom.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

EC Harris Services Limited

Notes forming part of the financial statements for the year ended 31 December 2014 (continued)

2 Employees

	2014 £	2013 £
Staff costs consist of:		
Management charge for provision of staff	5,420,977	3,879,105

All of the company's staff are employed by EC Harris Human Resources Limited. The management charge for the provision of staff is payable in respect of these costs. The management charge includes the £289,691 cost of pension contributions (2013: £226,062).

The average number of staff employed in the year to which these costs relate is 87 (2013: 83).

None of the directors received any emoluments for services to this company during the year (2013: nil).

3 Notes to the profit and loss account

	2014 £	2013 £
This has been arrived at after charging:		
Operating leases rentals – land and buildings	701,234	710,356
Hire of plant and machinery - operating leases	70,769	57,714

Auditors' remuneration has been borne by EC Harris LLP in 2013 and 2014.

EC Harris Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2014
(continued)

4 Taxation on profit from ordinary activities

	2014 £	2013 £
<i>Current tax</i>		
UK corporation tax on profits of the period	120,000	250,000
Adjustment in respect of previous periods	274,761	(56,466)
	<u> </u>	<u> </u>
Taxation on profit on ordinary activities	394,761	193,534
	<u> </u>	<u> </u>

The tax assessed for the period is higher (2013: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	35,569	379,863
	<u> </u>	<u> </u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%)	7,647	88,318
Effects of:		
Expenses not deductible for tax purposes	111,362	161,682
Transfer pricing adjustment	991	-
Adjustments in respect of previous periods	274,761	(56,466)
	<u> </u>	<u> </u>
Current tax charge for year	394,761	193,534
	<u> </u>	<u> </u>

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

EC Harris Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2014
(continued)

5 Debtors

	2014 £	2013 £
Amounts owed by group undertakings	7,386,832	5,269,106
Trade receivables	-	109,100
Other Taxation	3	578,790
Prepayments and accrued income	42,379	421,163
	<u>7,429,214</u>	<u>6,378,159</u>

All amounts shown under debtors fall due for payment within one year.

6 Creditors: amounts falling due within one year

	2014 £	2013 £
Bank overdraft	-	3,747
Trade creditors	-	2,486,370
Amounts owed to group undertakings	5,628,465	2,771,777
Corporation tax	420,000	50,000
Other taxation	-	14,081
Accruals and deferred income	1,616,908	686,062
	<u>7,665,373</u>	<u>6,012,037</u>

7 Share capital

	2014 Number	Allotted, called up and fully paid 2013 Number	2014 £	2013 £
Ordinary shares of £1 each	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

EC Harris Services Limited

Notes forming part of the financial statements
for the year ended 31 December 2014
(continued)

8 Reserves

	Share Capital	Profit and loss account	Total 2014	Total 2013
	£	£	£	£
At 1 January	100,000	371,511	471,511	285,182
(Loss)/profit for the year	-	(359,192)	(359,192)	186,329
At 31 December	100,000	12,319	112,319	471,511

9 Commitments under operating leases

As at 31 December 2014, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2014	Other 2014	Land and buildings 2013	Other 2013
	£	£	£	£
Operating leases which expire:				
Within one year	282,863	3,038	191,253	2,597
In two to five years	68,690	9,347	303,550	12,515
	351,553	12,385	494,803	15,112

Of the commitments relating to land and buildings shown above, £351,553 (31 December 2013 £494,803) relates to buildings occupied by EC Harris (BAC) Limited and its subsidiaries. Those companies pay the rentals on these properties. The cost borne by EC Harris Services Limited is reflected in note 3.

10 Ultimate parent company

The company's immediate parent company is EC Harris Group Limited and the ultimate parent company and ultimate controlling party is Arcadis N.V., a company incorporated in the Netherlands.

The smallest and largest group in which the results of the company are consolidated is that headed by Arcadis N.V. The consolidated financial statements of Arcadis N.V. are available at www.arcadis.com.

11 Related parties

Advantage has been taken of the exemption from disclosing transactions and balances with other group undertakings as permitted by Financial Reporting Standard No. 8.