

**CAMBRIDGE ENVIRONMENTAL RESEARCH CONSULTANTS LTD**

**REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010**

**Registration No 1926883**



## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2010**

1 The directors present herewith the audited accounts for the year ended 31 December 2010

### **Review of activities**

2 The main activity of the company during the period was to act as consulting environmental scientists

Development in the business and its position at the end of the financial year are indicated in the profit and loss account and balance sheet respectively

### **Transfer to reserves**

3 Profits transferred to reserves are shown in the profit and loss account on page 7

### **Directors**

4 The directors of the company at 31 December 2010, all of whom have been directors for the whole of the year ended on that date, were the following

D J Carruthers  
J C R Hunt  
T J Newton

### **Changes in fixed assets**

5 The nature of fixed asset purchases and disposals are shown in note 8 to the accounts

## Directors' interests in the company

6 The interests of the directors in the shares of the company at 31 December 2010 were as follows

### Ordinary shares of £0.25 each

	31 December 2010		31 December 2009	
	Number	Nominal Value	Number	Nominal Value
		£		£
D J Carruthers	645	161	645	161
JCR Hunt	600	150	600	150
T J Newton	<u>300</u>	<u>75</u>	<u>300</u>	<u>75</u>
	<u>1,545</u>	<u>386</u>	<u>1,545</u>	<u>386</u>

### "A" Ordinary shares of £0.25 each

	31 December 2010		31 December 2009	
	Number	Nominal Value	Number	Nominal Value
		£		£
D J Carruthers	430	107	430	107
JCR Hunt	400	100	400	100
T J Newton	<u>200</u>	<u>50</u>	<u>200</u>	<u>50</u>
	<u>1,030</u>	<u>257</u>	<u>1,030</u>	<u>257</u>

The "A" ordinary shares rank par passu to the ordinary shares in all respects other than in the event of the winding up of the company, or the sale of the entire share capital, they shall not be able to participate in the first £60,000 of any proceeds

## **Close company status**

- 7 The close company provisions of the Corporation Tax Act 2010 apply to the company

## **Statement of directors' responsibilities**

- 8 The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company.

In preparing those financial statements, the directors are required to

- (i) select suitable accounting policies and apply them consistently,
- (ii) make judgements and estimates that are reasonable and prudent,
- (iii) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

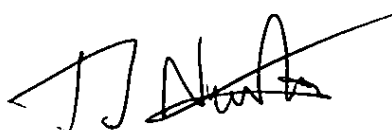
The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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 auditors are 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 auditors are aware of that information.

## **Exemptions applicable to small companies**

- 9 This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

- 10 This report was approved by the Board on 12 September 2011 and signed on its behalf



T J NEWTON  
Secretary

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010  
INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF CAMBRIDGE  
ENVIRONMENTAL RESEARCH CONSULTANTS LTD

We have audited the financial statements of Cambridge Environmental Research Consultants Limited for the year ended 31 December 2010 on pages seven to fourteen. 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 a Report of Auditors 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 described in the Statement of Directors' Responsibilities, the company's 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 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 (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.

#### 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 31st December 2010 and of its loss for the year then ended, and
- \* have been properly prepared in accordance with United Kingdom Generally Accepted Practice, and
- \* have been prepared in accordance with the requirements of the Companies Act 2006

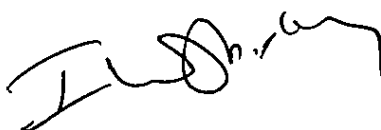
## OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial 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 or returns, or
- \* certain disclosures or 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



IAN W SHIPLEY FCCA  
(SENIOR STATUTORY AUDITOR)  
FOR AND ON BEHALF OF PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS  
AND STATUTORY AUDITORS

115c Milton Road  
Cambridge  
CB41XE

20<sup>th</sup> September 2011

**CAMBRIDGE ENVIRONMENTAL RESEARCH CONSULTANTS LTD**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED  
31 DECEMBER 2010**

	Notes	2010	2009
		£	£
Turnover	1	1,049,514	1,342,413
Cost of sales		<u>452,319</u>	<u>528,752</u>
Gross profit		597,195	813,661
Net operating expenses		<u>611,534</u>	<u>637,731</u>
Operating (loss)/profit	2	(14,339)	175,930
Interest payable and similar charges	4	<u>-</u>	<u>76</u>
Loss / profit on ordinary activities before taxation		(14,339)	175,854
Tax on (loss)/profit on ordinary activities	5	<u>-</u>	<u>(2,030)</u>
Retained (loss)/profit for the year		(14,339)	177,884
Accumulated profit brought forward		<u>969,046</u>	<u>791,162</u>
Accumulated profit carried forward		<u>954,707</u>	<u>969,046</u>

Note Both turnover and loss on ordinary activities before taxation are derived solely from continuing operations All recognised gains and losses are included in the profit and loss account

The notes on pages 9-14 form part of these financial statements

# CAMBRIDGE ENVIRONMENTAL RESEARCH CONSULTANTS LTD

## BALANCE SHEET - 31 DECEMBER 2010

	Notes	£	2010 £	£	2009 £
<b>FIXED ASSETS</b>					
Intangible assets	7	-		1,252	
Tangible assets	8	21,444		29,223	
Investments	13	<u>67,650</u>		<u>-</u>	
			89,094		30,475
<b>CURRENT ASSETS</b>					
Stocks and work in progress	9	188,807		91,718	
Debtors	6	330,257		352,038	
Cash at bank and in hand		<u>803,715</u>		<u>904,428</u>	
		1,322,779		1,348,184	
<b>CREDITORS amounts falling due within one year</b>	10	<u>246,513</u>		<u>215,723</u>	
<b>NET CURRENT ASSETS</b>			<u>1,076,266</u>		<u>1,132,461</u>
<b>Total assets less current liabilities</b>			1,165,360		1,162,936
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			<u>209,153</u>		<u>192,390</u>
			<u>956,207</u>		<u>970,546</u>
<b>CAPITAL AND RESERVES</b>					
Share capital	12		706		706
Capital redemption reserve		794		794	
Retained profits		<u>954,707</u>		<u>969,046</u>	
			<u>955,501</u>		<u>969,840</u>
			<u>956,207</u>		<u>970,546</u>

The financial statements which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved by the Board on 12 September 2011 and signed on its behalf



DJ Carruthers - Director

The notes on pages 9-15 form part of these financial statements

## Notes to the accounts - 31 December 2010

### 1 Principal accounting policies

#### (a) Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008)

#### (b) Depreciation

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over the useful lives of the assets concerned. The annual rates used for this purpose are

	%
Furniture, fixtures and fittings	10
Plant and machinery	25
Assets acquired under finance leases	20-25

#### (c) Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied

#### (d) Stocks and work in progress

Stocks and work in progress (stated at the lower of cost and net realisable value) represent the cost of labour and, where appropriate, materials on contract research in progress at the balance sheet date, which has been incurred but not yet invoiced

#### (e) Long term contracts

The results of long term contracts in progress at the balance sheet date are stated in accordance with Statement of Standard Accounting Practice No 9. In particular, turnover is included to the extent that it represents work completed by the balance sheet date. A proportionate part of the profit attributable to the contract is credited to the profit and loss account only where the outcome of the contract may be ascertained with reasonable certainty. Losses are charged to the profit and loss account as soon as they become apparent.

#### (f) Deferred taxation

Provision for deferred taxation is made as required by Financial Reporting Standard 19 in respect of all timing differences that have originated but not reversed by the balance sheet date

#### (g) Finance leases

Assets acquired under finance leases are capitalised at their fair values and depreciated using the methods and rates disclosed above. The obligation to pay future rentals is recorded as a liability on

the balance sheet, net of finance charges. Finance charges are allocated to accounting periods so as to approximate to a constant rate of return on the outstanding balance.

**(h) Operating leases**

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

**(i) Cashflow information**

As a small company for the purposes of the Companies Act 2006, the company has used the exemption provided by Financial Reporting Standard 1, under which it is not required to include a cashflow statement as part of its financial statements.

**(j) Development expenditure**

The company defers development expenditure on new software products where the amounts are material and the project meets the criteria for deferral specified in Statement of Standard Accounting Practice 13 (revised). Development expenditure is amortised over the period in which the product is expected to be sold, commencing in the period in which it is launched.

**(k) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at operating profit.

**2 Operating profit**

Operating profit is stated after charging

	2010 £	2009 £
Depreciation – intangible assets	1,252	3,757
Depreciation - owned assets	12,591	13,115
Auditors' remuneration	2,225	2,150
Interest received	6,105	5,614

**3 Directors' remuneration**

Directors received emoluments of £162,484 for the year (2009 £156,669)

**4 Interest payable and similar charges**

	2010	2009
	£	£
On bank overdrafts and loans wholly repayable within five years	<u>-</u>	<u>76</u>

**5 Tax on profit on ordinary activities**

	2010	2009
	£	£
Corporation tax based on profit for the year at 21%	-	-
Deferred tax	<u>-</u>	<u>(2,030)</u>
	<u>-</u>	<u>-</u>

**6 Debtors: amounts falling due within one year**

	2010	2009
	£	£
Trade debtors	199,541	184,438
Recoverable on contracts	38,130	70,286
Prepayments and sundry debtors	<u>92,586</u>	<u>97,314</u>
	<u>330,257</u>	<u>352,038</u>

**7 Intangible fixed assets**

The company defers qualifying development expenditure, on the basis set out in Note 1 (j)

	£
Development expenditure at 1 January 2010	280,757
Deferred in the year	-
Disposal in the year	<u>-</u>
Development expenditure at 31 December 2010	<u>280,757</u>
Deferred expenditure released at 1 January 2010	279,505
Released in year	1,252
Disposal in the year	-
Deferred expenditure released at 31 December 2010	<u>280,757</u>
Net development expenditure at 1 January 2010	<u>1,252</u>
Net development expenditure at 31 December 2010	<u>-</u>

## 8 Tangible fixed assets

	Plant and machinery	Furniture fixtures & fittings	Total
	£	£	£
<u>Cost</u>			
At 1 January 2010	51,295	4,152	55,447
Additions during the year	3,240	1,573	4,813
Disposals during the year	14,994	-	14,994
At 31 December 2010	39,541	5,725	45,266
<u>Accumulated depreciation</u>			
At 1 January 2010	25,397	828	26,225
Provided during the year	12,046	545	12,591
Disposals during the year	14,994	-	14,994
At 31 December 2010	22,449	1,373	23,822
<u>Net book value</u>			
At 31 December 2010	<u>17,092</u>	<u>4,352</u>	<u>21,444</u>
At 31 December 2009	<u>25,898</u>	<u>3,324</u>	<u>29,222</u>

**9 Stocks and work in progress**

	2010	2009
	£	£
Long term contract balances	164,537	73,869
Other work in progress	<u>24,270</u>	<u>17,849</u>
	<u>188,807</u>	<u>91,718</u>

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

	2010	2009
	£	£
Trade creditors and accruals	39,256	48,932
Long term contracts	174,822	39,800
Other short term liabilities	-	81,977
Taxation and social security	<u>32,435</u>	<u>45,014</u>
	<u>246,513</u>	<u>215,723</u>

**11 Provisions for liabilities and charges – deferred tax**

	2010	2009
	£	£
Accelerated capital allowances	3,759	2,431
Utilisable tax losses	<u>3,759</u>	<u>2,431</u>
	<u>-</u>	<u>-</u>

**12 Share capital**

	2010	2009
	£	£
Authorised - ordinary shares	9,750	9,750
- "A" ordinary shares	<u>1,250</u>	<u>1,250</u>
	<u>11,000</u>	<u>11,000</u>
Issued and fully paid - ordinary shares	424	424
- "A" ordinary shares	<u>282</u>	<u>282</u>
	<u>706</u>	<u>706</u>

**13 Investments**

The company owns 55% of the ordinary share capital of CERC Overseas Ltd, represented by 67,650 shares of £1 each, purchased at par value

**14 Commitments under operating leases**

	2010	2009
	£	£
Hire of plant and machinery	-	-
Other operating leases		
Within one year	57,000	51,500
One to five years	228,000	-
Over five years	<u>285,000</u>	<u>-</u>
	<u>570,000</u>	<u>51,500</u>