

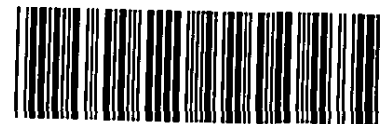
Annual Report and Financial Statements

31 March 2015



ST CLEMENTS SERVICES LIMITED
Company Registration Number: 2455347

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Report and Financial Statements 2015

Officers and Professional Advisors



1 OFFICERS AND PROFESSIONAL ADVISORS

Directors

M Rossi

J Squire

H Mistry

C Stoyell

Alternate Directors

A Ward

H McGarrigle (resigned 16 June 2014)

P Babb (appointed 16 June 2014)

J Morris (resigned 12 March 2015)

A Marsh (appointed 12 March 2015)

J Townrow

P Bibby

Secretaries

L J Rowley

R D Edmunds

Registered Office

4-6 Church Walk
Daventry
Northants NN11 4BL

Solicitors

Shoosmiths
500-600 Witan Gate West
Milton Keynes MK9 1SH

Bankers

HSBC
29 Bowen Square
Daventry
Northants NN11 4ER

Auditor

Deloitte LLP
Chartered Accountants and Statutory
Auditor
St Albans

2 DIRECTORS' REPORT

Introduction

The Directors present their annual report and the audited financial statements for the year ended 31 March 2015

This Directors' Report has been prepared in accordance with the special provisions relating to small companies in accordance with section 415(A) of the Companies Act 2006. The directors have also taken advantage of the small companies exemption from preparing a Strategic Report, provided by section 414B of the Companies Act 2006

Activities

The principal activity of the Company is the development and support of software systems to assist suppliers and generators with managing wholesale electricity purchases, together with the development and support of other electricity industry related software systems, primarily for Distribution Network Operators (DNOs). The products and services are provided to a number of major electricity supply companies who are the shareholders of the Company and to a broader constituency of electricity supply and distribution companies.

During the year the Company began developing a presence in the GB gas sector. The necessary investment by the Company to build a software product caused the Company to make a pre-tax loss in the period to the end of March 2015. Investment will continue next year and a further planned pre-tax loss is expected. The Company is adopting a prudent approach by expensing the expenditure in the years that the expenditure falls. Directors expect that the investment will deliver future revenues and strengthen the strategic positioning of the Company.

Results

In the year to 31 March 2015, St Clements Services Limited achieved revenues of £2.7m (2014 £2.3m) and a pre-tax loss of £212k (2014 pre-tax profit of £107k).

Dividends

The Directors do not recommend a dividend for the year (2014 £nil).

Going Concern

The Company's business activities, together with factors likely to affect its future development, performance and position are set out above. The Company currently has good cash reserves, zero borrowing and does not anticipate the need for commercial borrowing facilities in the short-medium term. Due to the nature of the Company's business and shareholding, the Directors believe that the Company is well placed to manage its business risk successfully despite the current uncertain economic outlook. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts.

Report and Financial Statements 2015

Directors Report



Disclosure of Information to Auditor

Each of the persons who is a Director at the date of approval of this 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/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit 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 provisions of s418 of the Companies Act 2006

Auditor

The auditor, Deloitte LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read "Robin Edmunds", written over a horizontal line.

Robin Edmunds
Secretary

10 September 2015

3 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 then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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.

4 INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CLEMENTS SERVICES LIMITED

We have audited the financial statements of St Clements Services Limited for the year ended 31 March 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the 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 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.

Report and Financial Statements 2015

Independent Auditor's Report



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 March 2015 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

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 take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report

A handwritten signature in black ink, appearing to read "Craig Wisdom".

Craig Wisdom ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

St Albans, United Kingdom

10 SEPTEMBER 2015

Report and Financial Statements 2015

Profit and Loss Account



5 PROFIT AND LOSS ACCOUNT

	Note	2015 £	2014 £
TURNOVER	2	2,678,544	2,300,047
Cost of Sales		<u>(966,209)</u>	<u>(386,441)</u>
GROSS PROFIT		1,712,335	1,913,606
Administrative expenses		<u>(1,936,712)</u>	<u>(1,829,396)</u>
OPERATING (LOSS)/PROFIT	4	(224,377)	84,210
Interest receivable and similar income	5	<u>12,713</u>	<u>22,897</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(211,663)	107,107
Taxation on profit on ordinary activities	6	<u>35,586</u>	<u>(26,131)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	17,18	(176,077)	80,976

There have been no recognised gains and losses attributable to the shareholders other than the profit for the current year and preceding financial year and accordingly, no Statement of Total Recognised Gains and Losses is shown

All turnover and costs in the current and preceding years are derived from continuing activities

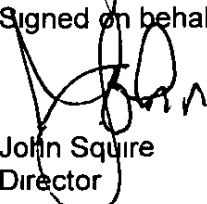
6 BALANCE SHEET
As at 31 March 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	<u>57,394</u>	<u>48,313</u>
CURRENT ASSETS			
Debtors	8	418,281	509,524
Investments	16	1,475,000	1,875,058
Cash at bank and in hand	16	<u>473,555</u>	<u>148,589</u>
		2,366,836	2,533,171
CREDITORS: amounts falling due within one year	9	<u>(693,723)</u>	<u>(674,901)</u>
NET CURRENT ASSETS		<u>1,673,113</u>	<u>1,858,270</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,730,507</u>	<u>1,906,583</u>
CAPITAL AND RESERVES			
Called up share capital	11	40	40
Special reserve	17	120,986	120,986
Profit and loss account	17	<u>1,609,481</u>	<u>1,785,557</u>
SHAREHOLDERS' FUNDS	18	<u>1,730,507</u>	<u>1,906,583</u>

Company Registration Number 2455347

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

These financial statements were approved by the Board of Directors on

September 10th 2015
Signed on behalf of the Board of Directors

John Squire
Director

7 CASH FLOW STATEMENT
Year ended 31 March 2015

	Note	2015 £	2014 £
Net cash from operating activities	14	(25,111)	81,431
Returns on investments and servicing of finance			
Interest received		12,713	22,897
Taxation			
UK corporation tax paid		(25,853)	(47,416)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		<u>(36,843)</u>	<u>(27,286)</u>
Cash (outflow)/inflow before management of liquid resources		(75,094)	29,626
Management of liquid resources	15	<u>400,058</u>	<u>75,254</u>
Increase/(decrease) in cash in the year	16	<u>324,966</u>	<u>104,880</u>

8 NOTES TO THE ACCOUNTS**Year ended 31 March 2015****Note 1 ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied in both the current and prior years.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The Company's business activities, together with factors likely to affect its future development, performance and position are set out in the Directors' report. The company currently has considerable cash reserves and zero borrowing and does not anticipate the need for commercial borrowing facilities in the short-medium term. Due to the nature of the Company's business and Shareholding, the Directors believe that the company is well placed to manage its business risk successfully despite the current uncertain economic outlook. After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts.

Liquid resources

All amounts held on deposits of one year or less at investment date are treated as liquid resources.

Tangible fixed assets

Fixed assets are stated at cost less depreciation.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Office refurbishment	10%
Office equipment and fittings	10% to 30%

Leases

Rentals payable under operating leases are charged against operating profits by equal instalments over the period of the lease.

Deferred taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Report and Financial Statements 2015

Notes to the Accounts



Note 1 ACCOUNTING POLICIES (continued)

Deferred taxation (continued)

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered based on suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax 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 assets and liabilities are not discounted.

Pension costs

The Company made contributions to defined contribution personal pension schemes for certain employees. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Note 2 TURNOVER

Turnover represents amounts invoiced by the Company in respect of services provided during the year excluding Value Added Tax.

Turnover is derived wholly from the United Kingdom and is attributable to one activity, which is considered the Company's only operating segment.

Note 3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the Directors received any remuneration in respect of their services in the current or prior year.

	2015 £	2014 £
Staff costs during the year were		
Wages and salaries	1,167,241	1,090,927
Social security costs	140,078	133,429
Pension costs	129,225	113,637
	<u>1,436,545</u>	<u>1,337,993</u>

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Notes to the Accounts



Note 3 (continued)

	2015 No.	2014 No.
Average number of persons employed (excluding Directors)		
Technical	20	18
Administration	<u>5</u>	<u>5</u>
	<u>25</u>	<u>23</u>

Note 4 OPERATING PROFIT

	2015 £	2014 £
Operating profit is after charging:		
Depreciation	27,762	27,783
Auditor's remuneration		
- fees payable to the company's auditor in respect of the audit of the annual accounts	11,640	11,357
- other related services	2,262	2,532
- other services related to taxation	5,150	6,450
Rentals under operating leases		
- Hire of plant and machinery	12,019	9,263
- Other operating leases	<u>68,000</u>	<u>68,015</u>

Note 5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 £	2014 £
Interest receivable on bank deposits	<u>12,713</u>	<u>22,897</u>

Note 6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

Analysis of tax charge on ordinary activities

	2015 £	2014 £
Current Taxation		
- charge for the year	(25,853)	25,853
Total current taxation	<u>(25,853)</u>	<u>25,853</u>
Deferred tax		
Origination and reversal of timing differences	(9,733)	278
	<u>(9,733)</u>	<u>278</u>
	<u>(35,586)</u>	<u>26,131</u>

Factors affecting tax charge for the current period

The tax assessed for the current period is higher than that resulting from applying the standard rate of corporation tax in the UK of 20%. The differences are explained below

	2015 £	2014 £
(Loss)/Profit on ordinary activities before tax	<u>(211,663)</u>	<u>107,107</u>
Tax at 20% (2014 20%) thereon	(42,333)	21,421
Expenses not deductible for tax purposes	6,748	4,710
Capital allowances in excess of depreciation	(1,816)	(278)
Prior year adjustments	(25,853)	-
Utilisation of tax losses	<u>37,402</u>	<u>-</u>
Total current taxation	<u>(25,853)</u>	<u>25,853</u>

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Notes to the Accounts



Note 7 TANGIBLE FIXED ASSETS

	Office refurbish- ment £	Office equipment, fixtures and fittings £	Total £
Cost			
At 1 April 2014	2,467	471,616	474,083
Additions	-	36,843	36,843
Disposals	-	(51,391)	(51,391)
At 31 March 2015	<u>2,467</u>	<u>457,067</u>	<u>459,535</u>
Accumulated depreciation			
At 1 April 2014	2,467	423,303	425,770
Charge for year	-	27,762	27,762
Disposals	-	(51,391)	(51,391)
At 31 March 2015	<u>2,467</u>	<u>399,674</u>	<u>402,141</u>
Net book value at 31 March 2015		<u>57,394</u>	<u>57,394</u>
Net book value at 31 March 2014	-	<u>48,313</u>	<u>48,313</u>

Note 8 DEBTORS

	2015 £	2014 £
Trade debtors	250,259	416,559
Prepayments and accrued income	131,224	91,753
Deferred tax asset (see note 10)	10,945	1,212
Corporation tax receivable	25,853	-
	<u>418,281</u>	<u>509,524</u>

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Notes to the Accounts



Note 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	141,746	69,724
Corporation tax payable	-	25,853
Other taxes and social security	10,877	55,870
Other creditors	-	42,411
Accruals and deferred income	541,100	481,043
	<u>693,723</u>	<u>674,901</u>

Note 10 DEFERRED TAXATION

	2015 £	2014 £
Deferred tax asset - Opening Asset	1,213	1,491
Charge to profit and loss account	9,732	(278)
	<u>10,945</u>	<u>1,213</u>
Closing Asset	10,945	1,213

Analysis of deferred tax balance

	2015 £	2014 £
Capital allowances in excess of depreciation	5,204	(3,387)
Short term timing differences	(4,600)	4,600
Losses	(11,549)	-
	<u>10,945</u>	<u>(1,213)</u>
Deferred tax asset	10,945	(1,213)

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Notes to the Accounts



Note 11 CALLED UP SHARE CAPITAL

	2015 £	2014 £
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
40 ordinary shares of £1 each	<u>40</u>	<u>40</u>

Each of the eight shareholders owns five shares

Note 12 PENSIONS

The Company makes contributions to defined contribution pension schemes for certain employees. Liability is limited to the premiums paid which are charged against profits in the year of payment. Funds are held separately from the Company. Contributions paid for the year ended 31 March 2015 were £129,225 (2014 £113,636). There were no outstanding contributions at year end (2014 £nil) that had not been paid over to the scheme.

Note 13 LEASE OBLIGATIONS

At 31 March 2015 the Company was committed to make annual payments under operating leases, as set out below

	Land and buildings	Other	Land and buildings	Other
	2015 £	2015 £	2014 £	2014 £
Operating leases which expire				
Within one year	-	-	-	2,251
Between two and five years	-	8,853	-	-
Over five years	<u>68,000</u>	<u>-</u>	<u>68,000</u>	<u>-</u>
	<u>68,000</u>	<u>8,853</u>	<u>68,000</u>	<u>2,251</u>

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Notes to the Accounts



Note 14 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	(224,377)	84,210
Depreciation	27,762	27,783
Decrease in debtors	126,829	59,170
Increase/(decrease) in creditors	<u>44,675</u>	<u>(89,732)</u>
Net cash (outflow)/inflow from operating activities	<u>(25,111)</u>	<u>81,431</u>

Note 15 ANALYSIS OF CASH FLOWS

	2015 £	2014 £
Management of liquid resources		
Cash withdrawn from money market deposit	<u>400,058</u>	<u>75,254</u>
Net cash inflow	<u>400,058</u>	<u>75,254</u>

Note 16 ANALYSIS AND RECONCILIATION OF NET FUNDS

	2014 £	Cash flow in the year £	2015 £
Cash at bank and in hand	148,589	324,966	473,555
Money market deposits	<u>1,875,058</u>	<u>(400,058)</u>	<u>1,475,000</u>
	<u>2,023,647</u>	<u>(75,092)</u>	<u>1,948,555</u>
		2015 £	2014 £
Increase in cash at bank and in hand in the year		324,966	104,880
Cash outflow from decrease in liquid resources		<u>(400,058)</u>	<u>(75,254)</u>
Change in net funds resulting from cashflows		<u>(75,092)</u>	<u>29,626</u>

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Notes to the Accounts



Note 17 RESERVES

	Profit and loss account reserve £	Special reserve £	Total £
At 1 April 2014	1,785,557	120,986	1,906,543
Loss for the year	<u>(176,077)</u>	<u>-</u>	<u>(176,077)</u>
At 31 March 2015	<u>1,609,480</u>	<u>120,986</u>	<u>1,730,466</u>

The special reserve was created as a result of capital contributions by shareholders

Note 18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,906,583	1,825,607
Loss for the year	<u>(176,077)</u>	<u>80,976</u>
Closing shareholders' funds	<u>1,730,506</u>	<u>1,906,583</u>

Note 19 CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

Each of the eight shareholders owns five shares. In the opinion of the Directors, there is no one controlling party

	2015 £	2014 £
Transactions with related parties		
- Services rendered to shareholders	1,999,376	1,553,448
Balances due from related parties		
- Accounts receivable from shareholders	<u>173,328</u>	<u>254,598</u>

Note 20 REVENUE COMMITMENTS

Contracted revenue commitments at 31 March 2015 not otherwise included in these financial statements

	2015 £	2014 £
Software support, maintenance and other	85,988	122,167
Total	<u>85,988</u>	<u>122,167</u>

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