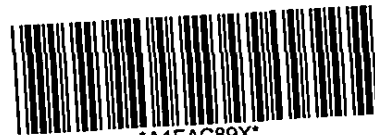


ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

Annual Report and Financial Statements

Year ended 31 December 2011

TUESDAY



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COMPANIES HOUSE

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

REPORT AND FINANCIAL STATEMENTS 2011

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ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P Birch	(resigned 28 November 2011)
L Greenbury	(resigned 22 August 2011)
A Eastwood	(appointed 22 August 2011, resigned 28 November 2011)
D Arnold	(appointed 28 November 2011)
I Fraser	(appointed 28 November 2011)
J Flood	(appointed 28 November 2011)
D Holland	(appointed 28 November 2011)

SECRETARY

P Birch

REGISTERED OFFICE

Lancaster House
Centurion Way
Leyland
Lancashire
PR26 6TX

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2011

CHANGE OF NAME

On 15 November 2011, the company changed its name from ARM Group Limited to Enterprise Utility Services Limited

ACTIVITIES

The principal activity of the company is that of the holding company of Enterprise Managed Services Limited. The company has no employees.

RESULTS, DIVIDENDS AND TRANSFER TO RESERVES

During the current and prior years the company did not trade other than as a holding company.

During the year, no dividend was paid to the company's immediate parent (2010: £nil).

DIRECTORS

The names of the directors who served during the year are shown on page 1.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk of the company is the value of its investments. The directors monitor the performance of the company's investments on a regular basis to assess the carrying value. The directors consider the performance of the investments to be satisfactory during the year.

GOING CONCERN

After making enquiries, and based on the assumptions outlined in note 1 to the financial statements, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

AUDITOR


Each of the persons who is a director at the date of approval of this report confirms that:

- so far as each of the director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware, and
- the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed by order of the Board


Secretary *P BIRCH*
27 April 2012

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

DIRECTORS' RESPONSIBILITIES STATEMENT

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, 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENTERPRISE UTILITY SERVICES LIMITED (formerly ARM Group Limited)

We have audited the financial statements of ARM Group Limited for the year ended 31 December 2011 which comprise the balance sheet and the related notes 1 to 10. 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 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our 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 December 2011,
- 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.

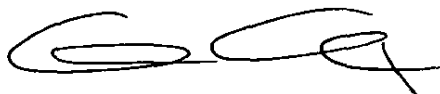
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial 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.



Emma Cox (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
27 April 2012

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)
Company Number 2578069

BALANCE SHEET
As at 31 December 2011

	Note	2011 £'000	2010 £'000
FIXED ASSETS			
Investments	4	2,609	2,609
CURRENT ASSETS			
Debtors	5	48,485	48,485
CREDITORS amounts falling due within one year	6	<u>(47,317)</u>	<u>(47,317)</u>
NET CURRENT ASSETS		<u>1,168</u>	<u>1,168</u>
NET ASSETS		<u>3,777</u>	<u>3,777</u>
CAPITAL AND RESERVES			
Called up share capital	7	1,918	1,918
Share premium account		42	42
Other reserves		<u>1,817</u>	<u>1,817</u>
SHAREHOLDER'S FUNDS		<u>3,777</u>	<u>3,777</u>

The accompanying notes form an integral part of the financial statements

These financial statements of Enterprise Utility Services Limited, registered number 2578069, were approved by the Board of Directors and authorised for issue on 27 April 2012

Signed on behalf of the Board of Directors



DAVID ARNOLD

- Director

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2011

1. ACCOUNTING POLICIES

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

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of preparation – going concern

The company does not trade and is an intermediate holding company within the Enterprise Group Holdings Limited group. As a result the company has no anticipated cash requirement for the foreseeable future. In making their assessment the directors have considered the recoverability of the intercompany debtor balance. On the basis that the Enterprise Group Holdings Limited group is a going concern the directors have concluded that the intercompany debtor balance is recoverable. In making this assessment the directors of this company are cognisant of the following going concern disclosure which appears in the financial statements of Enterprise Group Holdings Limited for the year ended 31 December 2011:

A review of business performance is set out in the Chairman's Statement and Business and Market Review of the ultimate parent company, Enterprise Group Holdings Limited (the "Group"). A description of the Group's borrowing facilities is included in note 19 to those financial statements. As described in that note, the Group's primary borrowings are made up of senior term bank loans not due for repayment until March 2015-2016. Under the senior bank facilities, the Group is required to comply with various financial covenants which are tested quarterly.

As described further in the Business and Market Review, the Group has been impacted by the economic environment which has resulted in revenue and operating profit in 2011 at a similar level to 2010. Nonetheless, despite the challenging economic environment, the Group generated strong operating cash-flows which it continues to forecast in the future. The Group has considerable liquidity with cash balances of £172m at 31 December 2011 and the forecasts show that the Group will retain significant cash balances throughout each month of the forecast period. All bank covenants were met during the year and continued to be met subsequent to the year-end.

The Directors have prepared forecasts for the purpose of their going concern review which show the Group operating comfortably within its available cash balances and credit facilities (as described above). The Directors have also considered reasonably possible sensitivities to the forecasts, with the principal risks reflecting those described in the Business and Market Review and relating to the impact of continued economic uncertainty on customer demand and unforeseen adverse working capital movements. The Directors have also considered various mitigating actions available to the Group including reducing discretionary expenditure and further active management of working capital.

The facilities agreement contains an "equity cure" clause under which the Group can remedy a breach of the key financial covenants through a capital injection from its shareholders. Although the forecasts show that in the period under consideration there could be a breach of a financial covenant, the Directors have obtained formal confirmation from the major shareholder that it would, if required, provide funds to the Group sufficient to cure the level of covenant breach shown in the Directors' sensitivity analysis. Such confirmation of support has been provided for the relevant 12 month period following approval of these financial statements. Beyond this period, the directors are considering a number of options in conjunction with the major shareholder.

In drawing their conclusions on going concern, the Directors have reviewed the forecasts, sensitivities and mitigating actions described above. They have also reviewed the confirmation of support provided by the major shareholder and have concluded that, in all scenarios that it is reasonable for the Directors to anticipate at the time of signing these financial statements, appropriate support will be provided. As a result of their considerations, the Directors have concluded that they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual consolidated financial statements.

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2011

1. ACCOUNTING POLICIES (continued)

Fixed asset investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment

Cash flow statement

The company has taken advantage of the exemption included in FRS 1 'Cash Flow Statements' in not providing a cash flow statement as its cash flows are included in the consolidated cash flow statement of the ultimate parent company

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Other than the directors, the company had no employees (2010 nil) The directors did not receive any emoluments for their services to this company in either the current or prior year

3. PROFIT AND LOSS ACCOUNT

During the current year and prior year the company has not traded and as a consequence a profit and loss account has not been presented There are no other recognised gains or losses and no movements in shareholder's funds in the current year or prior year Therefore no statement of total recognised gains and losses or shareholder's funds reconciliations have been presented

Auditor's remuneration for the audit of the company's financial statements of £2,000 is borne by a fellow group undertaking (2010 same) There were no non-audit fees paid by the company in either year

4. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiaries £'000
Cost and net book value	
At 1 January 2011 and 31 December 2011	<u>2,609</u>

The company owns the entire issued ordinary share capital of Enterprise Managed Services Limited, a company incorporated in England and Wales, whose principal activity is the provision of management services for the maintenance of utility infrastructures within the telecommunication, water, electricity and gas sectors

The company has taken advantage of section 400 of the Companies Act 2006 in not producing consolidated financial statements as it is a subsidiary of Enterprise Group Holdings Limited, which itself produces consolidated financial statements

Accordingly these financial statements present information about the company and not the group

5. DEBTORS

	2011 £'000	2010 £'000
Amounts due within one year:		
Amounts owed by group undertakings	<u>48,485</u>	<u>48,485</u>

ENTERPRISE UTILITY SERVICES LIMITED
(formerly ARM Group Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2011

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£'000	£'000
Amounts owed to group undertakings	<u>47,317</u>	<u>47,317</u>

7. CALLED UP SHARE CAPITAL

	2011	2010
	£'000	£'000
Authorised		
1,919,000 ordinary shares of £1 each	<u>1,919</u>	<u>1,919</u>
Called up, allotted and fully paid		
1,918,048 ordinary shares of £1 each	<u>1,918</u>	<u>1,918</u>

8. ULTIMATE PARENT COMPANY

The company's ultimate parent company and controlling party is Enterprise Group Holdings Limited, a company registered in England and Wales

The smallest group in which the results of the company were consolidated was that headed by Enterprise plc
The largest group in which the results of the company were consolidated was that headed by Enterprise Group Holdings Limited Copies of the Enterprise Group Holdings financial statements can be obtained from its registered office at Lancaster House, Centurion Way, Leyland, Lancashire, PR26 6TX

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" and has not disclosed transactions with other wholly owned group undertakings

10. CONTINGENT LIABILITIES

The company is party to a composite guarantee and mortgage debenture in favour of Lloyds TSB Bank plc to secure the borrowings of Enterprise plc At 31 December 2011 the borrowings of Enterprise plc secured by this guarantee were £540 million (2010 £540 million)