

CGMS Limited
Annual report and financial statements
for the year ended 31 December 2015

Registered number: 3303376

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CGMS Limited

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Company Information

Directors	J Cottrell G Cox T M Hoyle G R Young
Secretary	N Rowe
Registered Office	20 Western Avenue Milton Park Abingdon Oxfordshire OX14 4SH
Company number	3303376
Auditor	Daly Hoggett & Co. London, UK

CGMS Limited

Strategic report

The Directors present their strategic report together with their annual report, the auditor's report and the financial statements for CGMS Limited ("the Company") for the year ended 31 December 2015.

Principal activities and strategic review

The Company is a subsidiary of CGMS Holdings Limited, whose ultimate parent is RPS Group Plc (the 'Group').

On 30 September 2014 the trade and assets of the Company were transferred to The Environmental Consultancy Limited at net book value. The Company has not traded since this date.

There were no significant post balance sheet events.

Key performance indicators

The Company uses two KPIs to monitor its performance, fees and operating profit before amortisation.

	2015 £000	2014 £000
Fees	-	9,027
Operating profit before amortisation	98	864

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are described below.

Economic environment – continuing economic uncertainty may cause the Company's clients to cancel, postpone or reduce existing or future projects. Continuing projects may be subject to greater cost pressures.

Business continuity – the risk that in the event of an adverse occurrence the business operations will not be able to operate. Main areas of risk here are the failure of IT systems and the recruitment and retention of key staff.

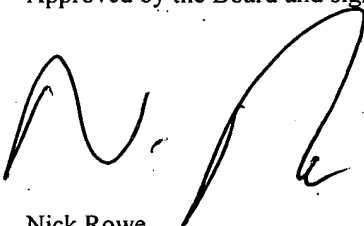
Financial / Commercial – the risk of performance falling short of expectations. This includes reputational risk linked to the quality of work and liability risk not covered by professional indemnity insurance.

Compliance – the risk of failing to comply with all relevant legislation and regulations. The main areas of risk to the Company include legal action from compliance failures.

Health, safety and environment – the risk related to the safety of staff, clients, sub-contractors, members of the public and the environment.

The Company's Directors and senior management regularly review these risks and their potential impact on the Company and take mitigating action as necessary.

Approved by the Board and signed on its behalf by:



Nick Rowe
Secretary

19 August 2016

CGMS Limited

Directors' report

The directors present their annual report on the affairs of the Company for the year ended 31 December 2015.

Financial risk management objectives and policies

All financial risks, including cash flow, liquidity, credit and price risks are managed on a Group basis. Policies for managing these risks have been disclosed in the financial statements of RPS Group Plc.

Dividends

A dividend of £1,841,098 was paid during the year (2014 £116,000).

Directors

The directors, who served throughout the year and to the date of signing, were as follows:

J. Cottrell (appointed 21 January 2016)

G Cox

T M Hoyle (appointed 21 January 2016)

E Mortimer (resigned 19 January 2016)

G R Young

G R Young is a director of RPS Group Plc and his interest in the share capital of the ultimate parent undertaking is shown in that company's financial statements.

Political contributions

There were no political contributions in the current or preceding year.

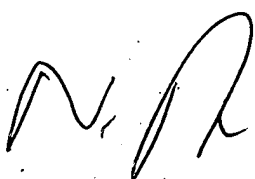
Auditor

Each of the persons who are 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 ought to have taken as a director in order to make himself 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 the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Nick Rowe
Secretary

19 August 2016

CGMS 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 CGMS Limited

We have audited the financial statements of CGMS Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

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 2015 and of its profit 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 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.

Independent auditor's report to the members of CGMS Limited (continued)

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.



David Bartlett FCA (senior statutory auditor)

for and on behalf of Daly, Hoggett & Co.

Chartered Accountants and Statutory Auditor

London, UK.

22 August 2016

CGMS Limited

Profit and loss account For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	2	-	13,673
Cost of sales		-	(10,210)
Gross profit		-	3,463
Administrative income/(expenses)		98	(2,599)
Operating profit		98	864
Finance charges (net)	4	-	(22)
Profit on ordinary activities before taxation	5	98	842
Tax on profit on ordinary activities	7	-	(214)
Profit for the financial year		98	628

The notes on pages 10 to 14 form part of these financial statements.

CGMS Limited

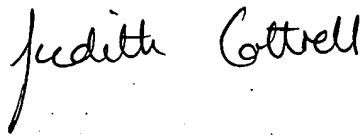
Balance sheet

At 31 December 2015

	Note	2015 £000	2014 £000
Current assets:			
Debtors			
- due within one year	9	286	2,029
Net assets		286	2,029
Capital and reserves:			
Called-up share capital	11	116	116
Share premium account	11	31	31
Capital redemption reserve	11	139	139
Profit and loss account	11	-	1,743
Shareholder's funds		286	2,029

The financial statements of CGMS Limited (registered number 3303376) were approved by the board of directors and authorised for issue on 19 August 2016

They were signed on its behalf by:



J Cottrell

Director

The notes on pages 10 to 14 form part of these financial statements.

CGMS Limited

Statement of Changes in Equity For year ended 31 December 2015

	Called-up share capital £000	Share premium account £000	Capital redemption account £000	Profit and loss account £000	Total £000
At 1 January 2014	116	31	139	1,231	1,517
Profit for the financial year	-	-	-	628	628
Dividends paid on equity shares	-	-	-	(116)	(116)
At 31 December 2014	116	31	139	1,743	2,029
Profit for the financial year	-	-	-	98	98
Dividends paid on equity shares	-	-	-	(1,841)	(1,841)
At 31 December 2015	116	31	139	-	286

The notes on pages 10 to 14 form part of these financial statements.

CGMS Limited

Notes to the financial statements For the year ended 31 December 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

The Company is a company incorporated in the UK under the Companies Act. The address of the registered office is given on the contents page. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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 is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other 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.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

CGMS Limited

Notes to the financial statements For the year ended 31 December 2015

1. Accounting policies (continued)

Finance Leases

The Company is not party to any finance leases.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial Instruments

i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Trade debtors and other receivables are financial assets that are recognised at fair value on inception and are subsequently carried at amortised cost. They are subject to impairment tests whenever events or changes in circumstances indicate that their carrying value may not be recoverable. Impairment losses are taken to the profit and loss account as incurred.

2. Key accounting estimates and judgements

The Company considers that the accounting policies above all require judgement to be exercised. Judgements that could have a material effect on the Company's financial statements include the following:

i). Revenue recognition – judgement is required to identify when it is appropriate to recognise revenue on contracts, particularly with respect to fixed price contracts.

3. Segment information

The Company's turnover was derived from the following geographical markets:

	2015 £000	2014 £000
<i>By destination:</i>		
United Kingdom	-	13,673

Turnover is wholly attributable to the principal activity of the Company.

Turnover can be analysed by type of revenue as follows:

	2015 £000	2014 £000
Fees	-	9,027
Expenses	-	4,646
	-	13,673

CGMS Limited

Notes to the financial statements For the year ended 31 December 2015

4. Finance charges (net)

	2015 £000	2014 £000
Interest payable and similar charges	-	(23)
Interest receivable and similar income	-	1
	<u>-</u>	<u>(22)</u>

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2015 £000	2014 £000
Depreciation of owned tangible fixed assets	-	77
Depreciation of assets held under finance lease	-	2
Auditor's remuneration	-	13
Operating lease rentals:		
Land and buildings	-	112
Other	-	175
	<u>-</u>	<u>377</u>

The audit fee was borne by RPS Group Plc in the current year and is disclosed on a group basis in the consolidated financial statements of that company. No amounts were recharged to the Company in the current year.

6. Staff costs

Staff remuneration (including that of directors) comprised:

	2015 £000	2014 £000
Wages and salaries	-	4,846
Social security costs	-	555
Pension costs	-	152
	<u>-</u>	<u>5,553</u>

The Company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in independently administered funds. The pension charge represents contributions payable by the Company to the funds and amounted to £nil (2014: £152,418). There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

The average monthly number of employees (including executive directors) was:

	2015 Number	2014 Number
Number of staff	-	112

G R Young is also a director of RPS Group Plc, the ultimate parent undertaking. His remuneration, which was paid by RPS Group Plc, is disclosed in that company's financial statements.

Other directors were remunerated through other group companies. No apportionment was made to CGMS Limited.

CGMS Limited

Notes to the financial statements For the year ended 31 December 2015

7. Tax on profit on ordinary activities

The tax charge comprises:

	2015 £000	2014 £000
Current tax:		
UK corporation tax	-	214
Adjustment in respect of prior years	-	-
	<u>-</u>	<u>214</u>
Deferred tax		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>214</u>

The differences between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2015 £000	2014 £000
Profit on ordinary activities before tax	98	842
Tax on profit on ordinary activities at standard UK corporation tax rate of 20.25% (2014: 21.65%)	20	182
Effects of:		
Expenses not deductible for tax purposes	-	32
Group relief	(20)	-
	<u>-</u>	<u>214</u>
Tax charge for the period	<u>-</u>	<u>214</u>

The UK corporation tax rate reduced from 21% to 20% in April 2015. The UK government enacted further reductions to 19% in April 2017 and 18% in April 2020. These rate reductions have been reflected in these financial statements.

8. Dividends on equity shares

Amounts recognised as distributions to equity holders in the period:

	2015 £000	2014 £000
Equity dividends on ordinary shares	<u>1,841</u>	<u>116</u>

9. Debtors

	2015 £000	2014 £000
Amounts falling due within one year:		
Amounts owed from group undertakings	<u>286</u>	<u>2,029</u>

The intercompany loans are with various Group undertakings. They are repayable on demand and do not bear interest.

CGMS Limited

Notes to the financial statements For the year ended 31 December 2015

10. Deferred taxation

The movement in the deferred taxation provision during the year was:

	2015 £000	2014 £000
Provision brought forward	-	11
Transfer to group companies	-	(11)
Provision carried forward	<u>-</u>	<u>-</u>

11. Share capital and reserves

	2015 £000	2014 £000
Allotted, called-up and fully-paid: 116,000 ordinary shares of £1 each	<u>116</u>	<u>116</u>

The Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The capital redemption reserve represents preference shares that were redeemed in 2001.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

12. Financial commitments

The Company had no capital commitments or commitments under non-cancellable operating leases at the balance sheet date.

13. Ultimate parent company

At 31 December 2015 the Company's ultimate parent company and controlling party was RPS Group Plc (a company incorporated in England and Wales) which is the parent of both the smallest and largest groups of which the Company is a member. Copies of the consolidated financial statements of RPS Group Plc are publicly available.

14. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard. None of the accounting policy changes are material.

There have been no changes to the Company's equity and assets as a result of this conversion.