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**Fulcrum First Limited**  
**REPORT AND FINANCIAL STATEMENTS**  
**31 December 2010**

SATURDAY



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23/04/2011

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COMPANIES HOUSE

## **Fulcrum First Limited**

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### **Directors**

Kevin Dixon  
Keith Howells  
Guy Leonard  
Kevin Stovell  
Richard Williams

### **Chief Financial Officer**

Ed Roud

### **Company Secretary**

Eva Lynn

### **Auditors**

McBrides Accountants LLP  
Nexus House  
2 Cray Road  
Sidcup  
DA14 5DA

### **Registered office**

Mott MacDonald House  
8-10 Sydenham Road  
Croydon CR0 2EE

Registered No 03401753

# **Fulcrum First Limited**

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## **Directors' report**

The directors present their report and financial statements for the eight months ended 31 December 2010

### **Results and dividends**

The profit for the period on ordinary activities, after taxation, amounted to £Nil

The directors do not recommend a dividend for the period

### **Principal activities and business review**

The principal activities of the company were those of consulting engineers

On 1 May 2010, the trade, assets and liabilities of Fulcrum First Limited were transferred to its immediate parent undertaking Mott MacDonald Limited

### **Directors**

The directors during the period were as follows

Kevin Dixon  
Keith Howells  
Guy Leonard  
Kevin Stovell  
Richard Williams

Peter Wickens resigned on 31 December 2010

### **Corporate responsibility**

Details of corporate social responsibility activities and initiatives are included in the annual report of the ultimate holding company Mott MacDonald Group Limited which sets out a review of all such activities across the Group

### **International Financial Reporting Standards**

The company has the option to prepare financial statements under International Financial Reporting Standards for the eight months ended 31 December 2010. Following consideration of this matter, the directors have decided to continue applying UK Accounting Standards and achieve alignment with International Financial Reporting Standards over a period of time by following the convergence programme of the UK Accounting Standards Board.

# Fulcrum First Limited

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## Statement of directors' responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom 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 judgments 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
- 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 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.

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Auditors

McBrides Accountants LLP offer themselves for reappointment as auditors in accordance with section 485 of the Companies Act 2006.

Approved by the board of directors



**K J Howells**  
Director

# Fulcrum First Limited

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## Independent auditor's report

### Report of the independent auditor to the members of Fulcrum First Limited

We have audited the financial statements of Fulcrum First Limited for the eight months ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes. 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 auditors

As explained more fully in the statement of directors' responsibilities 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 (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### 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 2010
- 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 by the company, 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.

*McBrides Accountants LLP*

Nick Paterno (Senior Statutory Auditor)  
for and on behalf of McBrides Accountants LLP

Chartered Accountants  
Statutory Auditor

Nexus House  
2 Cray Road  
Sidcup  
DA14 5DA

*23 March 2011*

## Fulcrum First Limited

### Profit and loss account

for the eight months ended 31 December 2010

	Notes	Eight months ended 31/12/2010 £	Year ended 30/04/2010 £
Gross revenue	2	-	4,520,214
Cost of sales		-	(2,906,193)
Gross profit		-	1,614,021
Administrative expenses		-	(2,521,938)
Other operating income		-	20,302
Operating loss	3	-	(887,615)
Net interest payable	4	-	(34,952)
Loss on ordinary activities before taxation		-	(922,567)
Tax on loss on ordinary activities	6	-	-
Loss on ordinary activities after taxation		-	(922,567)

The company has no recognised gains or losses other than those included in the profit and loss account

The trade of Fulcrum First Limited was transferred to its immediate parent undertaking Mott MacDonald Limited on 1 May 2010

# Fulcrum First Limited

Registered number: 03401753

## Balance sheet

at 31 December 2010

	Notes	31/12/2010 £	30/04/2010 £
<b>Fixed assets</b>			
Intangible assets	7	-	5,666
Tangible assets	8	-	313,611
		-	319,277
<b>Current assets</b>			
Debtors amounts falling due within one year	9	-	1,492,921
Cash at bank and in hand		-	410,153
		-	1,903,074
<b>Creditors amounts falling due within one year</b>	10	<b>(580,502)</b>	<b>(2,771,853)</b>
<b>Net current liabilities</b>		<b>(580,502)</b>	<b>(868,779)</b>
<b>Total assets less current liabilities</b>		<b>(580,502)</b>	<b>(549,502)</b>
<b>Creditors amounts falling due after more than one year</b>	11	-	(31,000)
		<b>(580,502)</b>	<b>(580,502)</b>
<b>Capital and reserves</b>			
Called up share capital	12	1,250	1,250
Share premium account	13	80,250	80,250
Profit and loss account	13	(662,002)	(662,002)
		<b>(580,502)</b>	<b>(580,502)</b>

These financial statements were approved by the Board of Directors on 22 March 2011



K J Howells  
Director

# Fulcrum First Limited

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## Notes to the financial statements

at 31 December 2010

### 1 Accounting policies

#### Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards under UK GAAP ('Generally Accepted Accounting Practice')

In accordance with Financial Reporting Standard 18 'Accounting Policies', the directors have reviewed the circumstances of the company and considered the appropriateness of its accounting policies, which have remained unchanged from the previous period

The principal accounting policies of the company are set out below

On 1 May 2010 the trade, assets and liabilities of Fulcrum First Limited were transferred to immediate parent undertaking Mott MacDonald Limited and the company ceased to trade

#### Goodwill

Goodwill represents the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired

Amortisation is calculated so as to write off the cost of goodwill, less its estimated residual value, over the useful economic life of six years

#### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment

Depreciation is provided to write off the costs less estimated residual value of all tangible fixed assets over their estimated economic lives. The depreciation rates used are as follows

Leasehold improvements	5 years straight line
Telephone/computer equipment	25%-33% on a reducing balance basis
Fixtures, fittings and equipment	33% on a reducing balance basis

#### Gross revenue

The term 'gross revenue' used in these financial statements is the same as the statutory definition of turnover contained in Companies Act 2006, Section 474

Gross revenue represents the fair value of the consideration receivable in respect of services provided during the period, excluding Value Added Tax

Gross revenue is recognised in the profit and loss account by reference to the stage of completion of the contract at the balance sheet date, provided that a right to consideration has been obtained through performance

Consideration accrues as contract activity progresses by reference to the value of work performed, which coincides with costs incurred, and this is estimated by reference to costs incurred to date compared to expected lifetime costs. Hence gross revenue represents the cost appropriate to the stage of completion of each contract plus attributable profits, less amounts recognised in previous years where relevant

Full provision is made for losses on all contracts in the year in which they are first foreseen

Amounts recoverable on contracts represents the excess work done to date including attributable profit over cumulative progress payments received and receivable. Where the progress payments received and receivable exceed the value of the work done to date, the excess is shown within creditors as payments on account



## Notes to the financial statements at 31 December 2010

### 1 Accounting policies (continued)

#### Research and development

Research and development costs are charged to the profit and loss account in the year that they are incurred

Where development expenditure is incurred on clearly defined projects whose outcome can be assessed with reasonable certainty the cost is carried forward and amortisation is charged from that time over the lesser of the life of the project or three years

#### Taxation

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

#### Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account

#### Leasing and hire purchase commitments

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

### 2 Gross revenue and segmental analysis

Gross revenue was wholly attributable to the company's ordinary activities and arose in the United Kingdom

# Fulcrum First Limited

## Notes to the financial statements

at 31 December 2010

### 3. Operating loss

*This is stated after charging:*

	Eight months ended 31/12/2010 £	Year ended 30/04/2010 £
Amortisation of intangible assets	-	169,879
Auditors' remuneration - audit services	-	9,950
Depreciation - owned assets	-	202,817
Operating lease rentals - plant and machinery	-	42,521
Profit on disposal of tangible assets	-	(2,063)
Profit on foreign exchange transactions	-	(12,370)

With effect from 1 May 2010, auditors' remuneration is borne by the company's immediate parent undertaking Mott MacDonald Limited

### 4 Net interest payable

	Eight months ended 31/12/2010 £	Year ended 30/04/2010 £
Interest receivable		
Bank interest	-	19
Other interest	-	2,986
	-	3,005
Interest payable		
On bank loans and overdrafts	-	(19,930)
Hire purchase interest	-	(15,190)
Other	-	(2,837)
	-	(37,957)
Net interest payable	-	(34,952)

### 5 Directors' remuneration

No director received any remuneration in respect of services as director of the company (30/04/2010 - £317,473)

# Fulcrum First Limited

## Notes to the financial statements at 31 December 2010

### 6 Tax

#### (a) Tax on profit on ordinary activities

The taxation charge is made up as follows

Current tax

UK corporation tax

Total current tax

<b>Eight months ended 31/12/2010</b>	<b>Year ended 30/04/2010</b>
<b>£</b>	<b>£</b>
-	-
-	-

#### (b) Factors affecting current tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 28% (30/4/2010 - 28%)

The differences are explained below

Loss on ordinary activities before taxation

Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 28% (30/4/2010 - 28%)

Effects of

Non deductible expenses

Depreciation add back

Capital allowances

Tax losses

Profit on disposals

Total current tax (note 6(a))

<b>Eight months ended 31/12/2010</b>	<b>30/04/2010</b>
<b>£</b>	<b>£</b>
-	(922,567)
-	(258,319)
-	55,649
-	56,789
-	(30,321)
-	176,780
-	(578)
-	-

# Fulcrum First Limited

## Notes to the financial statements at 31 December 2010

### 7 Intangible fixed assets

	Goodwill	Development costs	Total
	£	£	£
<b>Cost</b>			
At 1 May 2010	280,000	182,721	462,721
Transfer to immediate parent undertaking	(280,000)	(182,721)	(462,721)
At 31 December 2010	-	-	-
<b>Amortisation</b>			
At 1 May 2010	274,334	182,721	457,055
Transfer to immediate parent undertaking	(274,334)	(182,721)	(457,055)
At 31 December 2010	-	-	-
<b>Net book value.</b>			
At 31 December 2010	-	-	-
At 1 May 2010	5,666	-	5,666

### 8 Tangible fixed assets

	Leasehold improvements	Telephone/computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2010	198,722	833,256	36,686	1,068,664
Transfer to immediate parent undertaking	(198,722)	(833,256)	(36,686)	(1,068,664)
At 31 December 2010	-	-	-	-
<b>Depreciation</b>				
At 1 May 2010	174,918	556,004	24,131	755,053
Transfer to immediate parent undertaking	(174,918)	(556,004)	(24,131)	(755,053)
At 31 December 2010	-	-	-	-
<b>Net book value</b>				
At 31 December 2010	-	-	-	-
At 1 May 2010	23,804	277,252	12,555	313,611

### 9 Debtors

	31/12/2010	30/04/2010
	£	£
Trade debtors	-	1,151,851
Other debtors	-	314,334
Prepayments and accrued income	-	26,736
	-	1,492,921

# Fulcrum First Limited

## Notes to the financial statements at 31 December 2010

### 10 Creditors amounts falling due within one year

	31/12/2010 £	30/04/2010 £
Bank loans and overdrafts	-	8,320
Net obligations under hire purchase contracts	-	29,252
Trade creditors	-	46,697
Amounts owed to parent and fellow subsidiary undertakings	580,502	2,327,850
Social security and other taxes	-	281,985
Other creditors	-	76,464
Accruals and deferred income	-	1,285
	<u>580,502</u>	<u>2,771,853</u>

### 11 Creditors amounts falling due after more than one year

	31/12/2010 £	30/04/2010 £
Other loans	-	27,328
Net obligations under hire purchase contract	-	3,672
	<u>-</u>	<u>31,000</u>

### 12 Share capital

#### Authorised, allotted, called up and fully paid

	31/12/2010 No	30/04/2010 No	31/12/2010 £	30/04/2010 £
Ordinary shares of 1 25p each	<u>100,000</u>	<u>100,000</u>	<u>1,250</u>	<u>1,250</u>

### 13. Reserves

	Share premium account	Profit and loss account £
At 1 May 2010 and 31 December 2010	<u>80,250</u>	<u>(662,002)</u>

# **Fulcrum First Limited**

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## **Notes to the financial statements at 31 December 2010**

### **14 Ultimate parent undertaking**

The company's ultimate parent undertaking is Mott MacDonald Group Limited, registered in England and Wales, the financial statements of which are available from its registered office at Mott MacDonald House, 8-10 Sydenham Road, Croydon CR0 2EE

The largest and smallest group of undertakings for which Group financial statements have been drawn up is that headed by Mott MacDonald Group Limited

### **15 Related party transactions**

The company has taken advantage of provisions in Financial Reporting Standard 8 'Related Party Disclosures' which exempt subsidiary undertakings from disclosing transactions with other wholly owned entities within the Group. The immediate and ultimate parent undertaking, Mott MacDonald Group Limited, has included the required related party disclosures within its Group financial statements

### **16 Cash flow statement**

As permitted by Financial Reporting Standard 1 (Revised 1996) 'Cash Flow Statements', a cash flow statement is not presented in these financial statements. A cash flow statement for the Group is presented in the financial statements of the ultimate parent undertaking, Mott MacDonald Group Limited

### **17 Capital commitments**

There were no capital commitments contracted and not provided for in the financial statements