

INEO EI UK Ltd

Company Registration No 3577922

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2009



INEO EI UK LTD

COMPANY INFORMATION

Directors	M Bouhana B Nebout
Company secretary	Frenger International Limited
Company number	3577922
Registered office	Wilberforce House Station Road London NW4 4QE
Auditors	Mazars LLP Chartered Accountants & Statutory auditors Times House Throwley Way Sutton Surrey SM1 4JQ

INEO EI UK LTD

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INEO EI UK LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and the financial statements for the year ended 31 December 2009

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 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 judgements 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 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 and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Principal activities and review of business

The company's main activity is the installation of electrical wiring in construction projects.

INEO EI UK LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

Review of the business and future development

The profit for the year, after taxation, amounted to £1,013,530 (2008 - £116,689)

The results for the year and the financial position at the year end were considered satisfactory by the directors
The directors do not recommend payment of a dividend

The company reported turnover on 16 projects in 2009 compared to 12 in 2008 8 out of the 12 projects underway in 2008 were largely completed in that year 7 new projects commenced in 2009, 3 of which were completed during the year As expected, revenue increased as the main phases of the 2 hospital contracts commenced

The directors consider that there are no significant risks or uncertainties facing the company

Financial instruments

The directors consider the company's exposure to price risk, credit risk, liquidity risk and cash flow risk to be low and consider information relating to its financial risk objectives and policies to be immaterial for the assessment of assets, liabilities, financial position and profit and loss of the company

Directors

The directors who served during the year were

M Bouhana
B Nebout

Statement of disclosure to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf

B Nebout
Director

Date 16/08/2010



INEO EI UK LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INEO EI UK LTD

We have audited the financial statements of INEO EI UK Ltd for the year ended 31 December 2009, 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 1, 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 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. This report, including our opinion, has been prepared for and only for 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 Auditors' 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.

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/UKNP.

Opinion on the 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 2009 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 the 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.

INEO EI UK LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INEO EI UK LTD

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

Mazars LLP

Mazars LLP, Chartered Accountants (Statutory auditors)

Elisabeth Maxwell (Senior statutory auditor)

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date 24th August 2010

INEO EI UK LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
Turnover	1	14,075,572	2,687,472
Cost of sales		(11,665,525)	(1,991,858)
Gross profit		2,410,047	695,614
Administrative expenses		(1,014,271)	(583,678)
Operating profit	2	1,395,776	111,936
Interest receivable	3	21,801	55,760
Interest payable	5	(5,084)	-
Profit on ordinary activities before taxation		1,412,493	167,696
Tax on profit on ordinary activities	6	(398,963)	(51,007)
Profit for the financial year	11	1,013,530	116,689

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and Loss Account

The notes on pages 7 to 13 form part of these financial statements

INEO EI UK LTD

Registered number 3577922

BALANCE SHEET**AS AT 31 DECEMBER 2009**

	Note	£	2009 £	£	2008 £
Fixed assets					
Tangible fixed assets	7		18,832		22,836
Current assets					
Debtors	8	3,946,657		1,863,949	
Cash at bank		2,587,836		2,806,995	
		<u>6,534,493</u>		<u>4,670,944</u>	
Creditors: amounts falling due within one year	9	<u>(4,700,134)</u>		<u>(3,854,119)</u>	
Net current assets			1,834,359		816,825
Total assets less current liabilities			<u>1,853,191</u>		<u>839,661</u>
Capital and reserves					
Called up share capital	10		1,000		1,000
Profit and loss account	11		1,852,191		838,661
Shareholders' funds	12		<u>1,853,191</u>		<u>839,661</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

B Nebout
Director

Date 16/08/2010



The notes on pages 7 to 13 form part of these financial statements

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting Policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Compliance with accounting standards

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Office equipment	-	33% straight line
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1.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at 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 gains and losses are recognised in the Profit and Loss Account

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. Accounting Policies (continued)

1.7 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

2. Operating profit

The operating profit is stated after charging

	2009 £	2008 £
Depreciation of tangible fixed assets		
- owned by the company	12,972	9,069
Auditors' remuneration	16,000	10,000
Auditors' remuneration - non-audit	20,514	37,310
Operating lease rentals		
- other operating leases	69,042	25,759
Difference on foreign exchange	9,051	39,850
Auditors' remuneration for non-audit fees	-	40,924
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2008 - £NIL)

3. Interest receivable and similar income

	2009 £	2008 £
Bank interest receivable	21,801	55,760
	<u> </u>	<u> </u>

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

4 Staff costs

Staff costs were as follows

	2009 £	2008 £
Wages and salaries	601,886	323,393
Social security costs	158,302	68,062
	<u>760,188</u>	<u>391,455</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009	2008
Monthly employees	<u>15</u>	<u>9</u>

5. Interest payable

	2009 £	2008 £
On bank loans and overdrafts	<u>5,084</u>	<u>-</u>

6. Taxation

	2009 £	2008 £
UK corporation tax charge on profit for the year	<u>398,963</u>	<u>51,007</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2008 - higher than) the standard rate of corporation tax in the UK (28.5%) The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>1,412,493</u>	<u>167,696</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28.5%)	395,498	47,793
Effects of:		
Amounts not deductible for tax purposes	969	442
Capital allowances for year in excess of depreciation	1,443	887
Prior year adjustments	(59)	-
Other tax adjustments	1,112	1,885
Current tax charge for the year (see note above)	<u>398,963</u>	<u>51,007</u>

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

6. Taxation (continued)

There were no factors that may affect future tax charges

7. Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2009	51,376
Additions	8,968
At 31 December 2009	<u>60,344</u>
Depreciation	
At 1 January 2009	28,540
Charge for the year	12,972
At 31 December 2009	<u>41,512</u>
Net book value	
At 31 December 2009	<u>18,832</u>
At 31 December 2008	<u>22,836</u>

8. Debtors

	2009 £	2008 £
Trade debtors	3,111,452	651,409
Amounts due from group undertakings	146,758	156,435
Other debtors	12,887	22,906
Accrued income and prepayments	-	16,760
Amounts recoverable on long term contracts	675,560	1,016,439
	<u>3,946,657</u>	<u>1,863,949</u>

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

9 Creditors: Amounts falling due within one year

	2009 £	2008 £
Payments received on account	848,876	2,546,034
Trade creditors	678,500	295,904
Amounts due to group undertakings	1,579,812	433,089
Corporation tax	253,218	36,473
Social security and other taxes	324,988	199,947
Other creditors	25,041	21,198
Accruals and deferred income	989,699	321,474
	<u>4,700,134</u>	<u>3,854,119</u>

10 Share capital

	2009 £	2008 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

11. Reserves

	Profit and loss account £
At 1 January 2009	838,661
Profit for the year	1,013,530
	<u>1,852,191</u>
At 31 December 2009	

12. Reconciliation of movement in shareholders' funds

	2009 £	2008 £
Opening shareholders' funds	839,661	722,972
Profit for the year	1,013,530	116,689
	<u>1,853,191</u>	<u>839,661</u>
Closing shareholders' funds		

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

13. Operating lease commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2009	2008	2009	2008
	£	£	£	£
Expiry date				
Within 1 year	-	-	455	5,536
Between 2 and 5 years	40,000	40,000	6,179	1,816
	<u>40,000</u>	<u>40,000</u>	<u>6,179</u>	<u>1,816</u>

INEO EI UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

14. Related party transactions

The company has taken advantage of the exemptions available in Financial Reporting Standard No 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

15. Ultimate parent company

The director considers the ultimate parent undertaking to be GDF SUEZ, a company incorporated in France. The directors consider INEO Midi Pyrenees Languedoc Roussillon to be the immediate parent undertaking

INEO S A, the parent company of INEO Midi Pyrenees Languedoc Roussillon, is also incorporated in France and produces consolidated financial statements which are publicly available from Tour Voltaire, 1 place des Degres, 92059 Paris, La Defense Cedex, France

16. Contingent liabilities

The company provides warranties on its quality of work on contracts via retention monies unpaid by customers until 6 or 12 months after the completion of contracts. In addition, guarantees are provided via a third party guarantor to the date of acceptance of works or to a date specified in each contract. At the year end, expected claims against the retentions and guarantees amount to £Nil (2008 £Nil)