

**Advanced Total Energy Care Limited**  
**Annual Report and Accounts**  
**for the 17 month period ended 31 May 2005**

**Registered Number 04448876**



Advanced Total Energy Care Limited  
Annual Report and Accounts  
for the 17 month period ended 31 May 2005  
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# **Advanced Total Energy Care Limited**

## **Directors and Advisors**

### **Chairman**

Mr Ian Colquhoun

### **Directors**

Mr Ian Colquhoun

Mr Robert Skelly (resigned 9 February 2005)

Mr Christopher Grant

Mr Christopher Williams (appointed 2 May 2005)

Mr Ian McLeod (appointed 26 June 2005)

Mr William Fall (appointed 26 August 2005)

Mr Jack Harrison (appointed 24 June 2005)

### **Secretary and registered office**

Mr David Linton

Eaga House

Archbold Terrace

Jesmond

Newcastle upon Tyne

NE2 1DB

### **Independent auditors**

PricewaterhouseCoopers LLP

89 Sandyford Road

Newcastle upon Tyne

NE1 8HW

### **Solicitors**

Blackett, Hart and Pratt

Eldon Chambers

23 The Quayside

Newcastle upon Tyne

NE1 3DE

### **Bankers**

National Westminster Bank plc

Windermere Branch

2 High Street

Windermere

Cumbria

LA2 3WY

# Advanced Total Energy Care Limited

## Directors' report for the 17 month period ended 31 May 2005

The directors present their report and the audited financial statements of the company for the 17 month period ended 31 May 2005.

### Principal activities

The company's principal activity during the period was to undertake energy efficiency surveys and provide energy efficiency advice to customers along with energy tariff advice. The principal market in which the company operates is the 'fuel poor' and benefits market.

### Business review and future developments

Following the disappointing results for the year ended 31 December 2003 the directors are pleased to announce an improvement in the profitability of the business for the 17 month period ended 31 May 2005. The directors consider the current performance to be satisfactory.

### Turnover and profitability

The company made a profit after taxation of £688,038 in the 17 month period ended 31 May 2005 (2003: loss £196,396). There was no dividend recommended in the year (2003: £Nil).

### Directors

The details of directors who served during the year are set out on page 1. None of the directors had any disclosable interests in the shares of the company.

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the 17 month period ended 31 May 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper 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 1985. 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.

### Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors will be proposed at the forthcoming annual general meeting.

By order of the Board



C Williams  
Director

24 March 2006



I D McLeod  
Director

24 March 2006

# Advanced Total Energy Care Limited

## Independent auditors' report to the shareholders of Advanced Total Energy Care Limited

We have audited the financial statements, which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

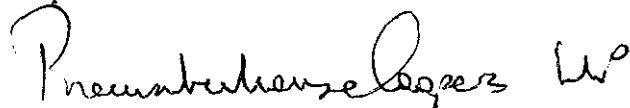
### Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company at 31 May 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
Date: 24 March 2006

# Advanced Total Energy Care Limited

## Profit and loss account for the 17 month period ended 31 May 2005

		17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
	Notes		
Turnover		7,181,939	1,364,499
Cost of Sales		(5,308,730)	(1,075,341)
Gross profit		1,873,209	289,158
Administrative expenses		(1,012,442)	(486,687)
Operating profit/(loss)		860,767	(197,529)
Profit/(loss) on ordinary activities before taxation	3	860,767	(197,529)
Taxation	4	(172,729)	1,133
Profit/(loss) on ordinary activities after taxation	11	688,038	(196,396)

All of the above amounts relate to continuing activities.

A statement of total recognised gains and losses and a reconciliation to historical cost profits and losses are not shown as all gains and losses for the period are recognised in the profit and loss account under the historical cost convention.

# Advanced Total Energy Care Limited

## Balance sheet as at 31 May 2005

	Notes	31 May 2005 £	31 December 2003 £
<b>Fixed assets</b>			
Tangible assets	5	55,704	37,520
<b>Current assets</b>			
Stock		3,099	-
Debtors	6	2,914,057	411,717
Cash at bank and in hand		503,231	56,017
		3,442,575	467,734
<b>Creditors: amounts falling due within one year</b>	7	(2,625,546)	(305,559)
<b>Net current assets</b>		817,029	162,175
<b>Total assets less current liabilities</b>		872,733	199,695
<b>Creditors: amounts falling due after one year</b>	8	(351,769)	(366,769)
<b>Net assets/(liabilities)</b>		520,964	(167,074)
<b>Capital and reserves</b>			
Called up share capital	9	150,000	150,000
Profit and loss account	10	370,964	(317,074)
<b>Equity shareholders' funds/(defecit)</b>	11	520,964	(167,074)

The financial statements on pages 4 to 14 were approved by the board of directors on 24 March 2006 and were signed on its behalf by:



C Williams  
Director



I D McLeod  
Director

# Advanced Total Energy Care Limited

## Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and with the requirements of the Companies Act 1985. A summary of the accounting policies, which have been applied consistently, is set out below.

### Basis of accounting

The financial statements have been prepared under the historical cost convention.

### Tangible fixed assets

Tangible fixed assets are stated at cost, including incidental expenses incurred on acquisition, less accumulated depreciation. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values. The principal annual rates of depreciation used for this purpose are:

Motor vehicles	25%
Fixtures and fittings	33.3%
Furniture	33.3%
Equipment	33.3%

### Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

### Turnover

Turnover is recognised in full when the energy efficient survey is performed by the Company.

### Pension Scheme

The company operates a defined contribution pension scheme for the benefit of its employees. The company's contributions to this scheme, which are based on employee earnings, are recognised in the period in which the related payroll costs are incurred.

### Cash flow statement

Advanced Total Energy Care Limited is a small company. The directors have taken advantage of the exemption from preparing a cash flow statement afforded to them in Financial Reporting Standard No 1 "Cash flow statements".

### Deferred taxation

Deferred taxation 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. Deferred tax balances are not discounted.



# Advanced Total Energy Care Limited

## Notes to the financial statements for the 17 month period ended 31 May 2005

### 1 Directors' emoluments

	17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
Aggregate emoluments	261,945	45,265
Company pension contributions to defined contribution pension schemes	19,497	5,589
	281,442	50,854
Highest paid director:		
Salary	86,348	21,562
Other cash payments	58,471	3,333
Benefits in kind	6,059	1,736
Total emoluments	150,878	26,631
Company pension contributions to defined contribution pension schemes	11,285	3,234
Aggregate emoluments including pension contributions	162,163	29,865

### 2 Employee information

The average number of employees, employed by the company during the year was:

By activity	17 month period ended 31 May 2005	Year ended 31 December 2003
Advisors	61	43
Administration	72	10
	133	53

## Advanced Total Energy Care Limited

The aggregate payroll costs, including executive directors, comprised:

	17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
Wages and salaries	3,022,436	899,288
Social security costs	258,641	83,800
Pension costs	10,940	6,101
	<b>3,292,017</b>	<b>989,189</b>

### 3 Profit/(loss) on ordinary activities before taxation

	17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
Profit/(loss) on ordinary activities before taxation is stated after		
Depreciation charge for the period		
Tangible fixed assets	23,123	12,762
Auditors' remuneration for:		
Audit	5,185	5,000
Other services to the company	5,143	-
Hire of land and buildings – operating leases	22,305	13,686
Hire of plant and machinery - operating leases	26,997	11,442
Loss on disposal of fixed assets	6,357	-

# Advanced Total Energy Care Limited

## 4 Taxation

### (a) Analysis of charge/(credit) in the year

	17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
<b>Current tax:</b>		
UK corporation tax on profits of the period	194,917	(1,133)
Adjustments in respect of prior periods	(22,188)	-
<b>Total current tax</b>	<b>172,729</b>	<b>(1,133)</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
Adjustment in respect of previous periods	-	-
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Total tax charge/(credit)</b>	<b>172,729</b>	<b>(1,133)</b>

### (b) Factors affecting tax charge/(credit) for the year

Profit/(loss) on ordinary activities before tax	860,767	(197,529)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003: 30%)	258,230	(59,259)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	3,000	-
Capital allowances in excess of depreciation and other short term timing differences	(66,313)	58,126
Adjustment in respect of prior period	(22,188)	-
<b>Current tax charge/(credit) for the year</b>	<b>172,729</b>	<b>(1,133)</b>

### (c) Factors that may affect future tax charges

There is an unprovided deferred tax asset of £5,672 (2003: £nil) arising from accelerated capital allowances. In 2003 there was a unprovided deferred tax asset of £137,124 arising from company losses.

There are no further factors that are expected to materially affect future tax charges.

# Advanced Total Energy Care Limited

## 5 Tangible fixed assets

	Equipment £	Motor vehicles £	Computer equipment £	Equipment £
<b>Cost</b>				
At 1 January 2004	11,158	14,100	26,560	51,818
Additions	2,200	-	47,964	50,163
Disposals	-	(14,100)	-	(14,100)
<b>At 31 May 2005</b>	<b>13,358</b>	<b>-</b>	<b>74,524</b>	<b>87,882</b>
<b>Depreciation</b>				
At 1 January 2004	3,673	4,461	6,164	14,298
Charge for the period	6,885	782	15,456	23,123
Disposals	-	(5,243)	-	(5,243)
<b>At 31 May 2005</b>	<b>10,558</b>	<b>-</b>	<b>21,620</b>	<b>32,178</b>
<b>Net book amount</b>				
<b>At 31 May 2005</b>	<b>2,800</b>	<b>-</b>	<b>52,904</b>	<b>55,704</b>
At 31 December 2003	7,485	9,639	20,396	37,520

## 6 Debtors

	31 May 2005 £	31 December 2003 £
Trade debtors	29,915	8,847
Amounts due from related undertakings	2,882,544	393,624
Taxation	1,133	-
Prepayments and accrued income	465	9,246
	<b>2,914,057</b>	<b>411,717</b>

# Advanced Total Energy Care Limited

## 7 Creditors: amounts falling due within one year

	31 May 2005 £	31 December 2003 £
Trade creditors	30,230	12,165
Amounts owed to related undertakings	1,879,044	37,705
Taxation and social security	62,709	168,000
Other creditors	208,674	26,001
Corporation tax	194,917	-
Accruals and deferred income	249,972	61,688
	<b>2,625,546</b>	<b>305,559</b>

## 8 Creditors: amounts falling due after one year

	31 May 2005 £	31 December 2003 £
Loans owed to related undertakings	351,769	366,769

No terms have been made for the repayment of this loan. The Directors of The Eaga Partnership Limited have indicated that they are not aware of any circumstances which would require repayment of the loan in the foreseeable future.

# Advanced Total Energy Care Limited

## 9 Called up share capital

	31 May 2005 £	31 December 2003 £
<b>Authorised</b>		
1,000,000 "A" shares of £1 each	1,000,000	1,000,000
1,000,000 "B" shares of £1 each	1,000,000	1,000,000
	<b>2,000,000</b>	<b>2,000,000</b>
<b>Allotted, called up and fully paid</b>		
75000 (2002: 75000) "A" shares of £1 each	75,000	75,000
75000 (2002: 75000) "B" shares of £1 each	75,000	75,000
	<b>150,000</b>	<b>150,000</b>

The "A" shares and "B" shares rank pari passu in respect of voting rights, rights to dividends and their priority on winding up.

## 10 Reserves

	Profit and loss account £
At 1 January 2004	(317,074)
Profit for the period	688,038
At 31 May 2005	<b>370,964</b>

## 11 Reconciliation of movements in equity shareholders' deficit

	31 May 2005 £	31 December 2003 £
Opening shareholders' funds	(167,074)	29,322
Profit/(loss) for the period	688,038	(196,396)
Closing equity shareholders' funds/(defecit)	<b>520,964</b>	<b>(167,074)</b>

# Advanced Total Energy Care Limited

## 12 Financial commitments

Annual financial commitments under non-cancellable operating leases at the balance sheet date were:

	31 May 2005	31 December 2003
	Other	Other
	£	£
Expiring:		
Within one year	-	10,808
Within two to five years inclusive	42,811	32,424
	42,811	43,232

## 13 Pension obligations

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund managed by AXA Group. The pension cost charged to the profit and loss account for the 17 month period ended 31 May 2005 represents contributions payable by the company to the fund and amounted to £10,940 (year ended 31 December 2003: £6,101).

# Advanced Total Energy Care Limited

## 14 Related party transactions

Related party transactions and balances arising in the normal course of business:

	17 month period ended 31 May 2005 £	Year ended 31 December 2003 £
<b>Eaga Partnership Limited</b>		
Sales to Eaga Partnership Limited in the period	4,988,257	1,255,405
Sales to N.E.S.T Makers Ltd in the period	2,380	-
Costs incurred recharged by Eaga Partnership Limited in the period	1,691,236	35,089
Amount owed by Eaga Partnership Limited at period end	2,860,120	387,933
Amount owed to Eaga Partnership Limited at period end	1,879,044	37,705
Outstanding loan balance due to Eaga Partnership Limited at period end	351,769	366,769

## 15 Ultimate parent undertaking

100% of the company's share capital is owned by Eaga Partnership Limited, which is thus considered to be the ultimate parent undertaking.

## 16 Ultimate Controlling party

The equity and control of Eaga Partnership Limited are held in trust for the qualifying employees of the company by Eaga Partnership EBT Limited and Eaga Partnership EBT 2 Limited.