Celerant Consulting Investments Limited

Report and Financial Statements

31 March 2017

Registered No: 05804397

Directors
B D Honea
J M O'Brien

Secretary
S Goodman

Auditor
Ernst & Young LLP
1 More London Place
London SE1 2AF

Registered Office
Harmsworth House 13-15
Bouverie Street
London EC4Y 8DP

Strategic report

The directors of Celerant Consulting Investments Limited ("the company") present their strategic report of the company for the year ended 31 March 2017, with comparative figures for the year ended 31 March 2016.

Principal activity and review of the business

The company's principal activity is that of an investment holding company.

The company's immediate parent undertaking is Hitachi Consulting Corporation, a company incorporated in USA. The company's ultimate parent undertaking is Hitachi, Ltd. Hitachi Consulting Corporation, a subsidiary of Hitachi, Ltd acquired the entire share capital of Celerant Consulting Investments Limited on 31 December 2012.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are broadly grouped as – competitive, legislative and financial instrument risk.

Competitive risks

The company operates within a competitive marketplace. However the company benefits from a number of competitive advantages, not least the strong investment in innovative products from the parent company, and the convergence of different offerings within the Hitachi group into a combined service for clients. Competitive risk has been further mitigated by refining the company's management information and business intelligence tools, to have better and faster visibility of a variety of relevant metrics.

Legislative risks

The company operates within a global marketplace. Therefore it is subject to the risk of changes in government regulations, both foreign and domestic, which might impede or greatly increase the cost of providing services across the globe. The level of legislative risk is not considered significant at the current time, but continues to be monitored closely.

Exposure to liquidity and cash flow risk

The company is exposed to a variety of financial risks that include the effects of liquidity risk and interest rate risk. The company seeks to limit the adverse effects on the financial performance of the company by monitoring these risks.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the directors are implemented by the company's financial department.

Liquidity risk

The company does not require working capital and has sufficient funds to ensure that liquidity risk remains low, but continues to be monitored closely.

Interest rate cash flow risk

The company has from time to time interest bearing assets. Interest bearing assets are loans to group companies. Interest rate contracts are utilised where appropriate to minimise any perceived risk. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

On behalf of the Board

J O'Brien
Director
Date: 19 DEC 2017

Registered No: 05804397

Directors' report

The directors of Celerant Consulting Investments Limited ("the company") present their report and financial statements of the company for the year ended 31 March 2017, with comparative figures for the year ended 31 March 2016.

Results and dividends

The result for the year after taxation amounted to nil (year ended 31 March 2016 – nil) and is dealt with as shown in the profit and loss account. The directors do not propose the payment of a dividend (year ended 31 March 2016 – nil).

Future development

The directors are satisfied with the results for the year. It is proposed to continue with the existing corporate structure for the foreseeable future.

Events since the balance sheet date

There have been no events since the balance sheet date which would materially affect these financial statements or need to be disclosed.

Going concern

The financial statements of the company have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons. Hitachi Consulting Corporation, immediate parent undertaking, has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, they will continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as and when they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking, the directors believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

Directors

The directors who served during the year and subsequently are as follows:

B D Honea
J M O'Brien

Company secretary:
S Goodman

Directors' indemnities

Hitachi Consulting Corporation, intermediate parent undertaking, maintains liability insurance for the company's directors and officers.

Auditor

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

On behalf of the Board

J O'Brien
Director
Date: 19 DEC 2017

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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), including FRS101 Reduced Disclosure Framework. 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 accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

Income statement

for the year ended 31 March 2017

	Notes	*2017* *£'000*	*2016* *£'000*
Administrative income		–	–
Profit on ordinary activities before taxation		–	–
Tax		–	–
Profit/(loss) for the financial year		–	–

All amounts in the year relate to dormant activities.

Statement of comprehensive income

For the year ended 31 March 2017

	2017	*2016*
	£000	*£000*
Profit / (loss) for the financial year	–	–
Other comprehensive income for the year	–	–
Total comprehensive income for the year	–	–

Statement of changes in equity

for the year ended 31 March 2017

	Share capital *£000*	*Retained losses* *£000*	*Total equity* *£000*
At 1 April 2015	29,789	(230)	29,559
Profit / (loss) for the financial year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive income for the year	–	–	–
At 31 March 2016	29,789	(230)	29,559
Profit / (loss) for the financial year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive income for the year	–	–	–
At 31 March 2017	29,789	(230)	29,559

Balance Sheet

at 31 March 2017

Company number: 05804397

	Notes	2017 £'000	2016 £'000
Fixed assets			
Investments	5	–	–
Long term assets			
Amounts owed by group undertakings		29,559	29,559
Net assets		29,559	29,559
Capital and Reserves			
Share capital	6	1,543	1,543
Share premium account		28,190	28,190
Capital redemption reserve		56	56
Retained losses		(230)	(230)
Total equity		29,559	29,559

Audit Exemption Statement

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements were authorised by the board of directors and were signed on its behalf by:

J O'Brien

Director

Date 19 DEC 2017

Notes to the financial statements

at 31 March 2017

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Celerant Consulting Investments Limited (the "Company") for the year ended 31 March 2017 were authorised for issue by the board of directors on 19 December 2017 and the balance sheet was signed on the board's behalf by J O'Brien.

The company is a limited liability company incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare group financial statements as its subsidiary undertakings are included by full consolidation in the group financial statements of its parent, Hitachi Limited, a company incorporated in Japan. Copies of its group financial statements, which include the company and those of Hitachi Limited, are available from 6-6, Marunouchi l-chome, Chiyoda-ku, Tokyo, 100-8280, Japan.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice for all periods presented. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2017.

The company has taken advantage of the following disclosure exemptions under FRS 101:

(a) The requirements of IFRS 7 Financial Instruments: Disclosures;

(b) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;

(c) The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:

- (i) paragraph 79 (a) (iv) of IAS 1
- (ii) paragraph 73 (e) of IAS 16 Property, Plant and Equipment
- (iii) paragraph 118 (e) of IAS 38 Intangible Assets
- (iv) paragraphs 76 and 79 (d) of IAS 40 Investment Property;

(d) The requirements of paragraphs 10 (d), 10 (f), 39 (c), and 134 – 136 of IAS 1 Presentation of Financial Statements;

(e) The requirements of IAS 7 Statement of Cash Flows;

(f) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;

(g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures;

(h) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and

(i) The requirements of paragraphs 130 (f) (ii), 130 (f) (iii), 134 (d) – 134 (f), and 135 (c) – 135 (e) of IAS 36 Impairment of Assets.

Notes to the financial statements

at 31 March 2017

2. Accounting policies (continued)

2.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

2.3 Significant accounting policies

(a) Foreign currency translation

The Company's financial statements are presented in sterling, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(b) Investments

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

(c) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

(d) Financial Instruments

i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

Notes to the financial statements

at 31 March 2017

2. Accounting policies (continued)

All financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Company's financial assets include other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

Derecognition of financial assets

A financial asset is derecognised when (a) the rights to receive cash flows from the asset have expired or (b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate (ie, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced, with the amount of the loss recognised in administration costs.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

ii) Financial liabilities

Initial recognition and measurement

All of the Company's financial liabilities are classified as loans and borrowings. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

Notes to the financial statements

at 31 March 2017

2. Accounting policies (continued)

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iv) Fair values

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

(e) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Notes to the financial statements

at 31 March 2017

2. Accounting policies (continued)

(f) Going concern

The financial statements of the company have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons. Hitachi Consulting Corporation, a fellow parent undertaking, has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, they will continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as and when they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking, the directors believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	2017	*2016*
	£'000	*£'000*
Auditor's remuneration*	–	–

*The company is dormant and therefore entitled to exemption from audit, so there were no audit fees payable.

4. Directors and employees

	2017	*2016*
	£000	*£000*
Directors' emoluments:		
Aggregate emoluments (excluding pension contributions)	86	51
Pension entitlements:		
Pension contributions in respect of directors	1	1

During the year, one director (2016: one) participated in the company's defined contribution pension scheme.

The company has no employees.

Notes to the financial statements

at 31 March 2017

5. Investments

	Interest in subsidiary undertakings *£'000*
Cost and carrying amount:	
At 1 April 2016	–
Additions	–
Disposals	–
At 31 March 2017	–

Cost of Investment amounts to £1, which consists of cost of investment in Celerant Consulting Acquisitions Limited. The investment of £1 in Celerant Trustees Limited was returned during the year on dissolution of Celerant Trustees Limited via voluntary strike-off on 13 September 2016. Investments in subsidiary undertakings are stated at cost.

The company holds the equity share capital of the following principal subsidiaries:

Name of company	*Country of registration (or incorporation) and operation*	*Holdings*	*Proportion of voting rights and shares held*	*Nature of business*
Directly owned subsidiaries:				
Celerant Consulting Acquisitions Limited	England	Ordinary	100%	Holding Company
Indirectly owned subsidiary through Celerant Consulting Acquisitions Limited:				
Celerant Consulting Holdings Limited	England	Ordinary	100%	Strategic and Operational Management
Indirectly owned subsidiaries through Celerant Consulting Holdings Limited:				
Celerant Consulting (Canada) Limited	Canada	Ordinary	100%	Management consultancy
Hitachi Consulting (UAE) Limited	England	Ordinary	100%	Management consultancy
Celerant Consulting Netherlands Holdings BV	Netherlands	Ordinary	100%	Intermediate parent undertaking
Celerant Consulting Russia Limited	England	Ordinary	100%	Intermediate parent undertaking
Celerant Unlimited	England	Ordinary	100%	Financing activities
Celerant US, Inc.	USA	Ordinary	100%	Intermediate parent undertaking

Notes to the financial statements

at 31 March 2017

5. Investments (continued)

Name of company	*Country of registration (or incorporation) and operation*	*Holdings*	*Proportion of voting rights and shares held*	*Nature of business*
Indirectly owned subsidiaries through Celerant Consulting Netherlands Holdings BV:				
Celerant Consulting GmbH	Germany	Ordinary	100%	Management consultancy
Celerant Consulting SAS	France	Ordinary	100%	Management consultancy
Celerant Consulting Nordic AS	Norway	Ordinary	100%	Management consultancy
Celerant Consulting BVBA	Belgium	Ordinary	100%	Management consultancy
Celerant Consulting AB	Sweden	Ordinary	100%	Management consultancy
Indirectly owned subsidiaries through Celerant Consulting Russia Limited:				
Celerant Netherlands BV	Netherlands	Ordinary	100%	Intermediate parent undertaking
Indirectly owned subsidiary through Celerant Netherlands BV:				
Celerant Brasil Servicos de Consultoria em Gestao Empresarial Ltda	Brazil	Ordinary	100%	Management consultancy
Indirectly owned subsidiary through Hitachi Consulting (UAE) Limited:				
Celerant Management Consultancy LLC	Oman	Ordinary	70%	Management consultancy
Indirectly owned subsidiary through Celerant US, Inc.				
Celerant US Limited	England	Ordinary	100%	Intermediate parent undertaking
Indirectly owned subsidiary through Celerant US Limited:				
Celerant Consulting Inc.	USA	Ordinary	100%	Intermediate parent undertaking
Indirectly owned subsidiaries through Celerant Consulting Inc.				
Celerant Government Services Inc.	USA	Ordinary	100%	Management consultancy
Celerant Capital Partners Inc.	USA	Ordinary	100%	Investment company

Notes to the financial statements

at 31 March 2017

5. Investments (continued)

Name of company	*Country of registration (or incorporation) and operation*	*Holdings*	*Proportion of voting rights and shares held*	*Nature of business*
Indirectly owned subsidiaries through Celerant Capital Partners Inc.				
Celerant Capital Partners SDI, LLC	USA	Ordinary	40%	Investment company
Celerant Capital, LLC	USA	Ordinary	30%	Investment company

The directors believe that the carrying value of the investments is supported by their underlying net assets.

6. Share capital

	2017 No.	*2016 No.*
Authorised share capital:		
Ordinary shares of £0.10 each	16,067,000	16,067,000

		2017		*2016*
Allotted, called up and fully paid:	*No. £0.10 each*	*£'000*	*No. £0.10 each*	*£'000*
Balance at beginning of year	15,427,000	1,543	15,427,000	1,543
Shares issued during the year	–	–	–	–
Balance at end of year	15,427,000	1,543	15,427,000	1,543

7. Related party transactions

The company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

8. Capital commitments

The company had no capital commitment at 31 March 2017 and 31 March 2016.

9. Contingent liabilities

The company had no contingent liabilities at 31 March 2017 and 31 March 2016.

Notes to the financial statements

at 31 March 2017

10. Immediate and ultimate parent undertaking

The company's immediate parent undertaking is Hitachi Consulting Corporation, a company incorporated in the USA. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare group financial statements as its subsidiary undertakings are included by full consolidation in the group financial statements of its parent, Hitachi Limited, a company incorporated in Japan.

The ultimate parent undertaking and controlling party of the company, and largest in whose financial statements the company is consolidated as at 31 March 2017 is Hitachi Limited. Copies of its group financial statements, which include the company and those of Hitachi Limited, are available from 6-6, Marunouchi l-chome, Chiyoda-ku, Tokyo, 100-8280, Japan.