

COMPANY REGISTRATION NUMBER 04117847

EEEEGR

Company Limited by Guarantee

Financial statements

31 March 2005

EEEEGR Company Limited by Guarantee

Financial statements

Year ended 31 March 2005

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EEEEGR Company Limited by Guarantee

Company information

The board of directors

Mr J W R Best
Mr A J Davies
Mr M L Goodall
Mr I Hacon
Mr S R Smith
Mr M J Wilder
Mr A Claessen
Mr D A Nunn
Mr P L Alcock

Company secretary

HP Secretarial Services Limited

Registered office

Beacon Innovation Centre
Beacon Park
Gorleston
Norfolk
NR31 7RA

Auditors

Lovewell Blake
Chartered Accountants
& Registered Auditors
Sixty Six
North Quay
Great Yarmouth
Norfolk
NR30 1HE

EEEEGR Company Limited by Guarantee

Chairman's statement

Year ended 31 March 2005

The directors are pleased with the company's progress and results for the year. The turnover of £316,693 (2004 - £276,870) demonstrates EEEGR's ability to secure funding from members, private business and the public sector. The operating surplus for the year was £31,814 (2004 - £22,017) which will be utilized to develop services and representation for the benefit of members.

Prudent management has ensured that EEEGR retained a positive working capital position throughout the year.

EEEEGR's activities continue at a high level, maintaining a strong profile for the regional energy industry. As at 31 March 2005 its membership totalled 180 of which 139 are commercial companies (2004 - 146 of which 103 commercial). The Innovation Awards ran for the second year, bringing forward high quality entries, a winner from the oil and gas industry and two runners up from the renewables sector. The event coincided with the most successful conference run to date to profile opportunities in the Southern North Sea for the oil and gas supply chain. These were just two of 10 events run during the year, attracting 1,110 delegates, 87% from the private sector. The Summer Conference in 2004 was attended by Stephen Timms, Energy Minister, where he announced a collaborative joint industry/academia project focused on the possible reuse of pipelines in the North Sea, working with the Recommissioning Partnership, hosted by EEEGR. He also noted the work of the Skills for Energy Partnership.

During the year Terry Hill, who has served as Chairman for the past 3 years, resigned, as he was to take up a new appointment in Australia with his employer. EEEGR's directors wish to formally record their thanks for his stewardship and wise counsel over this time. This report is presented by Mark Goodall who, at the request of the Board kindly agreed to serve as Acting Chairman, giving the Board the opportunity to select a new chairman drawn from the elected board after our second full member election process, commencing in August 2005.

EEEEGR remains committed to continue developing its role as a regional energy industry association, and advance sustainable prosperity in East of England through the promotion of a balanced energy portfolio, both in supply and demand.

Mr M L Goodall

EEEEGR Company Limited by Guarantee

The directors' report

Year ended 31 March 2005

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2005.

Principal activities

The principal activity of the company during the year was to represent, promote and assist the energy industry, and associated businesses, in the east of England. The company is a non-profit making association limited by guarantee. Any surplus arising in the year will be utilised in future years with a view to furthering the entity's objectives.

Directors

The directors who served the company during the year were as follows:

Mr J W R Best
Mr A J Davies
Mr M L Goodall
Mr I Hacon
Mr T R Hill
Mr S R Smith
Mr M J Wilder
Mr A Claessen
Mr D A Nunn
Mr P L Alcock

Mr A Claessen was appointed as a director on 19 October 2004.

Mr D A Nunn was appointed as a director on 19 October 2004.

Mr P L Alcock was appointed as a director on 19 October 2004.

Mr T R Hill retired as a director on 19 July 2005.

Retirement of directors

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment:

Mr M L Goodall
Mr S R Smith
Mr M J Wilder

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

EEEEGR Company Limited by Guarantee

The directors' report *(continued)*

Year ended 31 March 2005

Auditors

A resolution to re-appoint Lovewell Blake as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Beacon Innovation Centre
Beacon Park
Gorleston
Norfolk
NR31 7RA

Signed on behalf of the directors

Mr J W R Best
Director

Approved by the directors on 19 July 2005

EEEEGR Company Limited by Guarantee

Independent auditors' report to the members of EEEGR

Year ended 31 March 2005

We have audited the financial statements of EEEGR for the year ended 31 March 2005 on pages 7 to 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

**EEEEGR
Company Limited by Guarantee**

Independent auditors' report to the members of EEEGR *(continued)*

Year ended 31 March 2005

Opinion

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

Sixty Six
North Quay
Great Yarmouth
Norfolk
NR30 1HE

19 July 2005

LOVEWELL BLAKE
Chartered Accountants
& Registered Auditors

**EEEEGR
Company Limited by Guarantee**

Profit and loss account

Year ended 31 March 2005

	Note	2005 £	2004 £
Turnover		316,693	276,870
Direct costs		<u>(95,354)</u>	<u>(67,885)</u>
Gross profit		221,339	208,985
Administrative expenses		<u>(193,411)</u>	<u>(187,786)</u>
Operating profit	2	27,928	21,199
Interest receivable		2,474	818
Profit on ordinary activities before taxation		<u>30,402</u>	<u>22,017</u>
Tax on profit on ordinary activities	4	1,412	–
Retained profit for the financial year		<u>31,814</u>	<u>22,017</u>
Balance brought forward		<u>80,864</u>	<u>58,847</u>
Balance carried forward		<u><u>112,678</u></u>	<u><u>80,864</u></u>

The notes on pages 9 to 12 form part of these financial statements.

**EEEEGR
Company Limited by Guarantee**

Balance sheet

31 March 2005

	Note	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		64,771		22,052
Current assets					
Debtors	6	116,103		76,414	
Cash at bank		<u>121,082</u>		<u>94,670</u>	
		237,185		171,084	
Creditors: Amounts falling due within one year	7	<u>(129,855)</u>		<u>(94,126)</u>	
Net current assets			<u>107,330</u>		<u>76,958</u>
Total assets less current liabilities			<u>172,101</u>		<u>99,010</u>
Government grants	8		<u>(59,423)</u>		<u>(18,146)</u>
			<u>112,678</u>		<u>80,864</u>
Reserves	10				
Profit and loss account			<u>112,678</u>		<u>80,864</u>
Members' funds			<u>112,678</u>		<u>80,864</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 19 July 2005 and are signed on their behalf by:

Mr J W R Best

Mr I Hacon

The notes on pages 9 to 12 form part of these financial statements.

EEEEGR Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2005

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	20% Straight line
Office Equipment	-	20 - 33% Straight line

Operating lease agreements

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.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. Operating profit

Operating profit is stated after charging/(crediting):

	2005	2004
	£	£
Staff pension contributions	6,436	6,150
Amortisation of government grants re fixed assets	(8,723)	(8,561)
Depreciation	11,204	10,827
Auditors' fees	<u>2,400</u>	<u>2,350</u>

**EEEGR
Company Limited by Guarantee**

Notes to the financial statements

Year ended 31 March 2005

3. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2005	2004
	£	£
Aggregate emoluments	50,775	48,500
Value of company pension contributions to money purchase schemes	<u>4,367</u>	<u>4,250</u>
	<u><u>55,142</u></u>	<u><u>52,750</u></u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2005	2004
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

4. Taxation on ordinary activities

	2005	2004
	£	£
Current tax:		
Under provision in prior year	<u>(1,412)</u>	<u>—</u>
Total current tax	<u><u>(1,412)</u></u>	<u><u>—</u></u>

5. Tangible fixed assets

	Plant, machinery and other assets
	£
Cost	
At 1 April 2004	35,889
Additions	<u>53,923</u>
At 31 March 2005	<u><u>89,812</u></u>
Depreciation	
At 1 April 2004	13,837
Charge for the year	<u>11,204</u>
At 31 March 2005	<u><u>25,041</u></u>
Net book value	
At 31 March 2005	<u><u>64,771</u></u>
At 31 March 2004	<u><u>22,052</u></u>

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Notes to the financial statements

Year ended 31 March 2005

6. Debtors

	2005	2004
	£	£
Trade debtors	89,333	22,248
Other debtors	<u>26,770</u>	<u>54,166</u>
	<u>116,103</u>	<u>76,414</u>

7. Creditors: Amounts falling due within one year

	2005	2004
	£	£
Trade creditors	58,675	26,227
Other taxation and social security	438	–
Other creditors	<u>70,742</u>	<u>67,899</u>
	<u>129,855</u>	<u>94,126</u>

8. Government grants

	2005	2004
	£	£
Received and receivable:		
At 1 April 2004	27,012	27,012
Receivable during year	<u>50,000</u>	<u>–</u>
At 31 March 2005	<u>77,012</u>	<u>27,012</u>
Amortisation:		
At 1 April 2004	8,866	305
Credit to profit and loss account	<u>8,723</u>	<u>8,561</u>
At 31 March 2005	<u>17,589</u>	<u>8,866</u>
Net balance at 31 March 2005	<u>59,423</u>	<u>18,146</u>

9. Related party transactions

The company has transactions of small value in the normal course of business with entities in which directors have an interest.

10. Company limited by guarantee

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up.

**EEEEGR
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Notes to the financial statements

Year ended 31 March 2005

11. Reconciliation of movements in funds

	General Fund £	Specific Fund £	Total 2005 £	Total 2004 £
Funds brought forward at 1 April 2004	78,832	2,032	80,864	58,847
Retained profit for the year	31,814	–	31,814	22,017
Funds as at 31 March 2005	<u>110,646</u>	<u>2,032</u>	<u>112,678</u>	<u>80,864</u>

The specific fund represents monies which will be made available to the recommissioning partnership.