

COMPANY REGISTRATION NUMBER 04117847

**EEEGR**

**Company Limited by Guarantee**

**Financial statements**

**31 March 2006**

# EEEEGR Company Limited by Guarantee

## Financial statements

Year ended 31 March 2006

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# EEEEGR Company Limited by Guarantee

## Company information

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### **The board of directors**

J W R Best (Chief Executive)  
A J Davies  
M L Goodall  
I Hacon  
A Claessen  
D A Nunn  
P L Alcock  
D T Openshaw  
G T Hacon  
M Gorry  
M A Hughes  
P M Dixon  
S Rose  
Ms A M Soroko

### **Company secretary**

Steeles Law LLP

### **Registered office**

Beacon Innovation Centre  
Beacon Park  
Gorleston  
Norfolk  
NR31 7RA

### **Auditor**

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

# EEEEGR Company Limited by Guarantee

## Chairman's statement

### Year ended 31 March 2006

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The directors are pleased with the company's progress and results for the year. The turnover of £383,833 (2005 - £316,693) demonstrates EEEGR's continuing ability to secure funding from members, private business and the public sector. The operating surplus for the year was £14,453 (2005 - £31,814) which as planned was lower than last year, reflecting funds generated being reinvested to develop and deliver services and representation for the benefit of members.

It is the nature of the organisation to co-operate with various companies and government bodies to further our objectives. This co-operation takes many forms from jointly held events to financial contributions towards various projects. In order for the accounts to reflect the level of contributions receivable from third parties and the work undertaken by the organisation, amounts receivable are included as other income or within turnover depending on the nature of the project.

The full costs of any joint project incurred by the organisation are included in the accounts within cost of sales or administration costs as appropriate. This accounting treatment is in accordance with the recommendations of the Financial Reporting Standard for Smaller Entities (effective January 2005) (FRSSE). This represents a change in the way turnover is presented from previous years, although the net effect is the same.

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 2006 its membership totalled 246 of which 202 are commercial companies (2005 - 180 of which 139 commercial).

Some highlights this year are;

" Organised 15 events attracting 1044 delegates, from 433 organisations; with consistently high business participation at 83% of total delegates " Distributed in excess of £100K through the training initiative "Towards 2010" reaching over 70 organisations and benefiting more than 200 individuals as they improve personal skills to grow their respective businesses " Presented to the Norwegian Gas Conference at Tonsberg, Norway " Delivered another excellent Innovation Awards Dinner to launch SNS06; this year's winner was Robert Large, a 22 year old undergraduate, supported by Pilot Drilling Control Ltd.

In addition EEEGR delivered a collaborative joint industry/academia report focused on the possible reuse of pipelines in the North Sea, working with the Recommissioning Partnership. Its findings were taken up by the House of Commons Science and Technology Select Committee with a direct reference to the report, in the body of their work.

I feel very privileged to have been nominated and to be so well supported by my colleagues on the Board and in the executive as I carried out the role of Chairman during this period. The true strength of the Board comes from the very experienced and knowledgeable individuals who give of their time freely to help shape the work of EEEGR

EEEEGR remains committed to continue developing its role as the regional energy industry association, pursuing sustainable prosperity in the East of England by promoting an appropriately balanced energy portfolio, both in supply and demand.

Signed

Mr M L Goodall

# EEEEGR Company Limited by Guarantee

## The directors' report

Year ended 31 March 2006

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2006.

### 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:

J W R Best (Chief Executive)  
A J Davies  
M L Goodall  
I Hacon  
T R Hill  
S R Smith  
M J Wilder  
A Claessen  
D A Nunn  
P L Alcock  
D T Openshaw  
G T Hacon  
M Gorry  
M A Hughes  
P M Dixon  
S Rose  
Ms A M Soroko

D T Openshaw was appointed as a director on 13 October 2005.  
G T Hacon was appointed as a director on 13 October 2005.  
M Gorry was appointed as a director on 13 October 2005.  
M A Hughes was appointed as a director on 13 October 2005.  
P M Dixon was appointed as a director on 13 October 2005.  
S Rose was appointed as a director on 13 October 2005.  
Ms A M Soroko was appointed as a director on 13 October 2005.

T R Hill retired as a director on 19 July 2005.  
S R Smith retired as a director on 24 October 2005.  
M J Wilder retired as a director on 18 October 2005.

### Retirement of directors

The following directors are to retire from the board in accordance with the Articles of Association:

A J Davies  
I Hacon

# EEEGR Company Limited by Guarantee

## The directors' report *(continued)*

Year ended 31 March 2006

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### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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.

In so far as the directors are aware:

there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

### Auditor

A resolution to re-appoint Lovewell Blake as auditor 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 (Chief Executive)  
Director

Approved by the directors on 25 July 2006

# EEEEGR Company Limited by Guarantee

## Independent auditor's report to the members of EEEGR

Year ended 31 March 2006

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We have audited the financial statements of EEEGR for the year ended 31 March 2006 on pages 7 to 13. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

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 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 auditor**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 auditor's report to the members of EEEGR** *(continued)*

**Year ended 31 March 2006**

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**Opinion**

In our opinion;

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Directors' report is consistent with the financial statements.

Sixty Six  
North Quay  
Great Yarmouth  
Norfolk  
NR30 1HE

LOVEWELL BLAKE  
Chartered Accountants  
& Registered Auditor

12 September 2006



**EEEEGR  
Company Limited by Guarantee**

**Profit and loss account**

**Year ended 31 March 2006**

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	<b>Note</b>	<b>2006 £</b>	<b>2005 £</b>
<b>Turnover</b>		383,833	316,693
Direct costs		<u>(165,813)</u>	<u>(95,354)</u>
<b>Gross profit</b>		218,020	221,339
Administrative expenses		(292,658)	(243,411)
Other operating income	<b>2</b>	<u>85,893</u>	<u>50,000</u>
<b>Operating profit</b>	<b>3</b>	11,255	27,928
Interest receivable		3,198	2,474
<b>Profit on ordinary activities before taxation</b>		<u>14,453</u>	<u>30,402</u>
Tax on profit on ordinary activities	<b>5</b>	—	1,412
<b>Profit for the financial year</b>		<u>14,453</u>	<u>31,814</u>
Balance brought forward		112,678	<u>80,864</u>
Balance carried forward		<u>127,131</u>	<u>112,678</u>

The notes on pages 9 to 13 form part of these financial statements.

# EEEEGR Company Limited by Guarantee

## Balance sheet

31 March 2006

	Note	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Intangible assets	6		7,250		–
Tangible assets	7		<u>34,926</u>		<u>64,771</u>
			42,176		64,771
<b>Current assets</b>					
Debtors	8	124,469		116,103	
Cash at bank and in hand		<u>77,492</u>		<u>121,082</u>	
		201,961		237,185	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(81,171)</u>		<u>(129,855)</u>	
<b>Net current assets</b>			<u>120,790</u>		<u>107,330</u>
<b>Total assets less current liabilities</b>			162,966		172,101
<b>Provisions for liabilities</b>					
Other provisions	10		(10,000)		–
Government grants	11		<u>(25,835)</u>		<u>(59,423)</u>
			<u>127,131</u>		<u>112,678</u>
<b>Reserves</b>					
Profit and loss account	13		<u>127,131</u>		<u>112,678</u>
<b>Members' funds</b>			<u>127,131</u>		<u>112,678</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 January 2005).

These financial statements were approved by the directors on the 25 July 2006 and are signed on their behalf by:

Mr J W R Best (Chief Executive)

Mr I Hacon

The notes on pages 9 to 13 form part of these financial statements.

# EEEGR Company Limited by Guarantee

## Notes to the financial statements

Year ended 31 March 2006

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### 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 January 2005).

#### Financial Reporting Standard for Smaller Entities (effective January 2005)

The company is adopting the provisions of the FRSSE (effective January 2005) for the first time. This has had no effect on the financial statements.

#### Development costs

Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty, and are amortised in line with expected sales arising from the projects on a straight line basis.

#### 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.

#### Turnover

The turnover shown in the profit and loss account represents the amount of goods and services provided during the year, exclusive of Value Added Tax. Due to the nature of the company's income, the directors consider it appropriate to include turnover net of costs in certain instances.

#### 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.

**EEEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2006**

**2. Other operating income**

	<b>2006</b>	2005
	<b>£</b>	£
Other operating income	85,893	50,000

**3. Operating profit**

Operating profit is stated after charging/(crediting):

	<b>2006</b>	2005
	<b>£</b>	£
Staff pension contributions	6,943	6,436
Amortisation of government grants re fixed assets	(33,588)	(8,723)
Depreciation	36,564	11,204
Auditor's fees	2,750	2,400

**4. Directors' emoluments**

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

	<b>2006</b>	2005
	<b>£</b>	£
Aggregate emoluments	53,189	50,775
Value of company pension contributions to money purchase schemes	4,498	4,367
	<u>57,687</u>	<u>55,142</u>

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

	<b>2006</b>	2005
	<b>No</b>	No
Money purchase schemes	<u>1</u>	<u>1</u>

**5. Taxation on ordinary activities**

	<b>2006</b>	2005
	<b>£</b>	£
Current tax:		
Over provision in prior year	-	(1,412)
Total current tax	<u>-</u>	<u>(1,412)</u>

**EEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2006**

**6. Intangible fixed assets**

	<b>Development costs £</b>
<b>Cost</b>	
Additions	7,250
<b>At 31 March 2006</b>	<u>7,250</u>
<b>Amortisation</b>	
At 1 April 2005 and 31 March 2006	—
<b>Net book value</b>	
<b>At 31 March 2006</b>	<u>7,250</u>
At 31 March 2005	<u>—</u>

**7. Tangible fixed assets**

	<b>Plant, machinery and other assets £</b>
<b>Cost</b>	
At 1 April 2005	89,812
Additions	6,719
Disposals	(3,994)
<b>At 31 March 2006</b>	<u>92,537</u>
<b>Depreciation</b>	
At 1 April 2005	25,041
Charge for the year	36,564
On disposals	(3,994)
<b>At 31 March 2006</b>	<u>57,611</u>
<b>Net book value</b>	
<b>At 31 March 2006</b>	<u>34,926</u>
At 31 March 2005	<u>64,771</u>

**8. Debtors**

	<b>2006 £</b>	<b>2005 £</b>
Trade debtors	118,772	89,333
Other debtors	5,697	26,770
	<u>124,469</u>	<u>116,103</u>

**EEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2006**

**9. Creditors: Amounts falling due within one year**

	<b>2006</b>	2005
	<b>£</b>	£
Trade creditors	40,325	58,675
Other taxation and social security	7,199	438
Other creditors	<u>33,647</u>	<u>70,742</u>
	<u><u>81,171</u></u>	<u><u>129,855</u></u>

**10. Other provisions**

	<b>2006</b>	2005
	<b>£</b>	£
Other provisions	<u>10,000</u>	<u>-</u>

Other provisions are in respect of income received relating to development costs. This will be credited to the profit & loss account in line with sales arising from the projects on a straight line basis.

**11. Government grants**

	<b>2006</b>	2005
	<b>£</b>	£
<b>Received and receivable:</b>		
At 1 April 2005	77,012	27,012
Receivable during year	<u>-</u>	<u>50,000</u>
At 31 March 2006	<u><u>77,012</u></u>	<u><u>77,012</u></u>
<b>Amortisation:</b>		
At 1 April 2005	17,589	8,866
Credit to profit and loss account	<u>33,588</u>	<u>8,723</u>
At 31 March 2006	<u><u>51,177</u></u>	<u><u>17,589</u></u>
Net balance at 31 March 2006	<u><u>25,835</u></u>	<u><u>59,423</u></u>

**12. Related party transactions**

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

**13. 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  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2006**

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**14. Reconciliation of movements in funds**

	<b>General Fund £</b>	<b>Specific Fund £</b>	<b>Total 2006 £</b>	<b>Total 2005 £</b>
Funds brought forward at 1 April 2005	110,646	2,032	112,678	80,864
Retained profit for the year	14,453	–	14,453	31,814
Funds as at 31 March 2006	<u>125,099</u>	<u>2,032</u>	<u>127,131</u>	<u>112,678</u>

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