

COMPANY REGISTRATION NUMBER 04117847

**EEEGR**

**Company Limited by Guarantee**

**Annual report and financial statements**

**31 March 2007**

# EEEEGR Company Limited by Guarantee

## Financial statements

Year ended 31 March 2007

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# EEEGR Company Limited by Guarantee

## Company information

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### The Board of Directors

#### Elected

Paul Alcock  
Paul Dixon  
Martin Dronfield  
Mark Goodall  
Graham Hacon  
Douglas Nunn  
Don Paulino  
Anna Soroko  
Gary Williams

#### Co-Opted

Ian Hacon  
Mark Hughes  
Dave Openshaw  
Steve Rose  
Hannah Woor

#### Ex-Officio

John Best (Chief Executive)

### The following also served as Observers as part of the EEEGR Board structure

Bob Alwood  
Bill Catanach  
David Dukes  
Celia Mackie  
Mark Wathen  
Paul Williams

#### 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 2007

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The Directors are pleased with the company's progress and results for the year. The turnover of £320,841 (2006 - £383,833) demonstrates EEEGR's continuing ability to secure funding from members, private business and the public sector. The loss for the year of £14,867 (2006 - profit £14,453) was as planned and budgeted for to maintain a prudent reserve level of £112,264 (2006 £127,131) 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. Revenue and contribution is consistent with 2006 and its treatment is in accordance with the recommendations of the Financial Reporting Standard for Smaller Entities (effective January 2005) (FRSSE). 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 2007 its membership totaled 280 of which 238 are commercial companies (2006 - 246 of which were 202 commercial).

Some highlights this year are;

Organised 14 events attracting 886 delegates, from 605 organisations; with consistently high business participation at 84% of total delegates.

Distributed in excess of £304K (2006 - £100K) through the training initiative "Towards 2010" reaching over 154 organisations (2006 - 70) and benefiting more than 580 individuals (2006 - 200) as they improve personal skills to grow their respective businesses. Since the project began almost £750K from both public and private sources has been invested by the initiative in developing to individual skills to meet strategic business need.

The Skills for Energy partnership was formally launched in 2006 at the Summer Conference, and is now led by David Edwards OBE, Chairman. High Energy Schools Challenge ran for the third year and was more successful than ever in building links between the "All Energy " industry and schools.

In providing skilled people for our future industry, this year EEEGR leading by example hosted its 30th student project working with individuals at under graduate, graduate and post graduate level. This is a great track record for an executive which has averaged less than five people over six years since formation.

EEEEGR's international profile was enhanced when the Economic Secretary of Louisiana accepted our invitation as a Keynote speaker at SNS07, following another successful Innovation Awards. EEEGR has attended and presented at events in Denmark and Germany. John Best, CEO spoke on behalf of the POWER (Pushing Offshore Wind Energy Regions) to a major EU conference in Brussels.

During the year we consulted with both our members and others in the region, in order to submit a robust paper to Government through the consultation process for Our Energy Challenge, leading to the Energy White Paper, Meeting the Energy Challenge.

I feel very privileged to have been Chairman during this period and to be so well supported by my colleagues on the Board and in the executive. 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. Together, supported by the very active involvement of the executive we have signed off a strong three year forward Business Plan for the organisation for 2007 - 2010.

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. In short "sustainable production and wise use of energy".

Signed

Mr M L Goodall

# EEEEGR Company Limited by Guarantee

## The directors' report

### Year ended 31 March 2007

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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 2007.

#### 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)	
M L Goodall	
D A Nunn	
P L Alcock	
D T Openshaw	
G T Hacon	
M A Hughes	
P M Dixon	
S Rose	
Ms A M Soroko	
G G Williams	(Appointed 12 October 2006)
M K Donfield	(Appointed 12 October 2006)
R Paulino	(Appointed 24 October 2006)
Ms H Woor	(Appointed 23 January 2007)
A J Davies	(Retired 12 October 2006)
I Hacon	(Retired 12 October 2006)
A Claessen	(Retired 12 October 2006)
M Gorry	(Retired 24 October 2006)

#### 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:

D A Nunn  
P L Alcock  
R Paulino

#### Directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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:

# EEEGR Company Limited by Guarantee

## The directors' report *(continued)*

### Year ended 31 March 2007

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- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

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 24 July 2007

# **EEEEGR**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2007**

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We have audited the financial statements of EEEGR for the year ended 31 March 2007 on pages 7 to 12. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 the 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 pages 3 to 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 2007

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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 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- 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 2007

**EEEEGR  
Company Limited by Guarantee**

**Profit and loss account**

**Year ended 31 March 2007**

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	<b>Note</b>	<b>2007</b> <b>£</b>	<b>2006</b> <b>£</b>
<b>Turnover</b>		320,841	383,833
Direct costs		<u>(104,793)</u>	<u>(165,813)</u>
<b>Gross profit</b>		216,048	218,020
Administrative expenses		(356,453)	(292,658)
Other operating income	<b>2</b>	<u>123,904</u>	<u>85,893</u>
<b>Operating (loss)/profit</b>	<b>3</b>	<u>(16,501)</u>	<u>11,255</u>
Interest receivable		1,634	3,198
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(14,867)</u>	<u>14,453</u>
Tax on (loss)/profit on ordinary activities		—	—
<b>(Loss)/profit for the financial year</b>		<u>(14,867)</u>	<u>14,453</u>
Balance brought forward		<u>127,131</u>	<u>112,678</u>
Balance carried forward		<u><u>112,264</u></u>	<u><u>127,131</u></u>

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

**EEEEGR  
Company Limited by Guarantee**

**Balance sheet**

**31 March 2007**

	<b>Note</b>	<b>2007</b>		<b>2006</b>	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	<b>5</b>		–		7,250
Tangible assets	<b>6</b>		<u>7,424</u>		<u>34,926</u>
			7,424		42,176
<b>Current assets</b>					
Debtors	<b>7</b>	141,034		124,469	
Cash at bank and in hand		<u>152,740</u>		<u>77,492</u>	
		293,774		201,961	
<b>Creditors: Amounts falling due within one year</b>	<b>8</b>	<u>(183,020)</u>		<u>(81,171)</u>	
<b>Net current assets</b>			<u>110,754</u>		<u>120,790</u>
<b>Total assets less current liabilities</b>			118,178		162,966
<b>Provisions for liabilities</b>					
Other provisions	<b>9</b>		(5,500)		(10,000)
Government grants	<b>10</b>		<u>(414)</u>		<u>(25,835)</u>
			<u>112,264</u>		<u>127,131</u>
<b>Reserves</b>	<b>12</b>				
Profit and loss account			<u>112,264</u>		<u>127,131</u>
<b>Members' funds</b>			<u>112,264</u>		<u>127,131</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 24 July 2007 and are signed on their behalf by:

Mr J W R Best (Chief Executive)

Mr I Hacon

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

# EEEGR Company Limited by Guarantee

## Notes to the financial statements

Year ended 31 March 2007

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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).

#### 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.

### 2. Other operating income

	2007	2006
	£	£
Other operating income	<u>123,904</u>	<u>85,893</u>

**EEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2007**

**3. Operating (loss)/profit**

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

	<b>2007</b>	2006
	<b>£</b>	£
Staff pension contributions	7,749	6,943
Amortisation of government grants re fixed assets	(25,421)	(33,588)
Depreciation	30,366	36,564
Auditor's fees	<u>2,900</u>	<u>2,750</u>

**4. Directors' emoluments**

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

	<b>2007</b>	2006
	<b>£</b>	£
Aggregate emoluments	55,600	53,189
Value of company pension contributions to money purchase schemes	<u>4,509</u>	<u>4,498</u>
	<u>60,109</u>	<u>57,687</u>

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

	<b>2007</b>	2006
	<b>No</b>	No
Money purchase schemes	<u>1</u>	<u>1</u>

**5. Intangible fixed assets**

	<b>Development costs</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2006	7,250
Additions	4,650
Diminution in value	<u>(11,900)</u>
<b>At 31 March 2007</b>	<u>—</u>
<b>Amortisation</b>	
At 1 April 2006 and 31 March 2007	<u>—</u>
<b>Net book value</b>	
At 31 March 2007	<u>—</u>
At 31 March 2006	<u>7,250</u>

Development costs in respect of the Mapergy project have been written off to the profit and loss account in the current year, together with income received to support the development costs. In the opinion of the directors the project has no capital value and future income streams will be minimal. Future revenue derived from this project will be accounted for on a case by case basis.

**EEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2007**

**6. Tangible fixed assets**

	<b>Plant, machinery and other assets £</b>
<b>Cost</b>	
At 1 April 2006	92,537
Additions	<u>2,864</u>
<b>At 31 March 2007</b>	<u>95,401</u>
<b>Depreciation</b>	
At 1 April 2006	57,611
Charge for the year	<u>30,366</u>
<b>At 31 March 2007</b>	<u>87,977</u>
<b>Net book value</b>	
<b>At 31 March 2007</b>	<u>7,424</u>
At 31 March 2006	<u>34,926</u>

**7. Debtors**

	<b>2007 £</b>	<b>2006 £</b>
Trade debtors	105,293	118,772
Other debtors	<u>35,741</u>	<u>5,697</u>
	<u>141,034</u>	<u>124,469</u>

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

	<b>2007 £</b>	<b>2006 £</b>
Trade creditors	63,866	40,325
Other taxation	3,194	7,199
Other creditors	<u>115,960</u>	<u>33,647</u>
	<u>183,020</u>	<u>81,171</u>

**9. Other provisions**

	<b>2007 £</b>	<b>2006 £</b>
Other provisions	<u>5,500</u>	<u>10,000</u>

Other provisions are in respect of income received relating to the Mapergy project. This will be credited to the profit and loss account in line with costs incurred.

**EEEEGR  
Company Limited by Guarantee**

**Notes to the financial statements**

**Year ended 31 March 2007**

**10. Government grants**

	<b>2007</b> £	2006 £
<b>Received and receivable:</b>		
At 1 April 2006	77,012	77,012
At 31 March 2007	<u>77,012</u>	<u>77,012</u>
<b>Amortisation:</b>		
At 1 April 2006	51,177	17,589
Credit to profit and loss account	25,421	33,588
At 31 March 2007	<u>76,598</u>	<u>51,177</u>
Net balance at 31 March 2007	<u>414</u>	<u>25,835</u>

**11. Related party transactions**

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

**12. 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.

**13. Reconciliation of movements in funds**

	<b>General Fund</b> £	<b>Specific Fund</b> £	<b>Total 2007</b> £	<b>Total 2006</b> £
Funds brought forward at 1 April 2006	125,099	2,032	127,131	112,678
Loss for the year	(14,867)	–	(14,867)	14,453
Funds as at 31 March 2007	<u>110,232</u>	<u>2,032</u>	<u>112,264</u>	<u>127,131</u>

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

**EEEEGR  
Company Limited by Guarantee**

**Management information**

**Year ended 31 March 2007**

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**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 5 to 6.**

**EEEGR  
Company Limited by Guarantee**

**Detailed profit and loss account**

**Year ended 31 March 2007**

	2007		2006	
	£	£	£	£
<b>Turnover</b>		320,841		383,833
Operating costs		<u>104,793</u>		<u>165,813</u>
<b>Gross profit</b>		216,048		218,020
<b>Overheads</b>				
Administrative wages	123,743		111,761	
Employers national insurance contributions	12,923		11,737	
Staff pension contributions	7,749		6,943	
Rent	17,857		15,611	
Insurance	1,962		2,062	
Repairs and maintenance	1,234		–	
Travel and subsistence	17,077		15,122	
Telephone	5,954		4,428	
Knowledge Transfer Partnership costs	9,725		7,729	
EEDA 10 project costs	46,630		7,951	
Wider Energy Horizons costs	15,817		22,850	
Printing, stationery and postage	8,737		10,834	
Staff training	5,718		1,451	
Sundry expenses	1,505		3,002	
External event attendance	2,830		5,860	
Subscriptions	1,562		1,012	
Advertising	36,110		38,086	
Entertaining	1,014		1,536	
Computer expenses	11,736		11,965	
Disposal of Mapergy	11,900		–	
Legal and professional fees	5,870		6,252	
Auditors remuneration	2,900		2,750	
Depreciation	30,366		36,564	
Amortisation of government grants	(25,421)		(33,588)	
Bank charges	955		740	
		<u>356,453</u>		<u>292,658</u>
		(140,405)		(74,638)
<b>Other operating income</b>				
Other operating income		<u>123,904</u>		<u>85,893</u>
<b>Operating (loss)/profit</b>		(16,501)		11,255
Bank interest receivable		<u>1,634</u>		<u>3,198</u>
<b>(Loss)/profit on ordinary activities</b>		<u>(14,867)</u>		<u>14,453</u>