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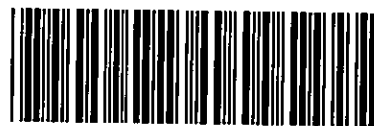
Company Registration No 02485577 (England and Wales)



CREATIVITY ENTHUSIASM ENERGY VISION

METHODS CONSULTING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2012

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METHODS CONSULTING LIMITED

COMPANY INFORMATION

Directors	P Rowlin M P A Thompson P A Feather C Day
Company number	02485577
Registered office	9th Floor 125 Shaftsbury Avenue London WC2H 8AD
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3FR

METHODS CONSULTING LIMITED

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METHODS CONSULTING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2012

The directors present their report and financial statements for the year ended 30 April 2012

Principal activities and review of the business

The principal activity of the company during the year continued to be that of provision of business, management and IS consultancy services, primarily for the public sector. Methods Consulting has had another strong year, showing continued strength in its core markets of Health, Criminal Justice and Central Government in spite of challenging economic conditions. Additionally, the Company has added a new core market in Local Government and is now a significant national player in digital-era organisational modernisation across the public sector.

In spite of continued challenging conditions in the broader economy and within our core public sector markets, Methods has benefited from the changes implemented by the new Senior Management Team during 2010-11 and has grown its business across both of its core divisions of Innovation & Delivery and Resourcing. We have expanded our client base, adding to our number of strategic, long-term client relationships, and have built a market-leading senior team who have gained recognition within the industry. Simultaneously we have continued to manage our cost base.

Additionally, there is now growing awareness of Methods' brand in the marketplace, as evidenced by the increase in unsolicited approaches from clients. Methods personnel continue to play a prominent role in shaping both the UK public sector and industry's relationship in organisational transformation and supporting use of technology, where our role is becoming more publicly acknowledged.

A key feature during 2011-12 has been the growth in our internal capability, during which we have continued to hand-pick key staff who are already building out our pre-sales and delivery capability across both divisions within the business. We are already seeing the benefits of this enhanced capacity in increased revenues and sales activity.

Dividends

No dividends will be distributed for the year ended 30 April 2012.

Operating performance and key performance indicators

Operating Performance	2012	2011
	£m	£m
Revenue	28.7	34.9
Operating profit/(loss)	0.5	1.0
Profit before tax	0.1	1.0

Key Performance Indicators	2012	2011
Operating profit margin	1.7%	2.9%
EBITDA (1)	£0.5m	£1.1m

(1) Earnings before interest, tax, depreciation and amortisation

Future developments

During the coming year, we will build on our maturing expertise and track record in disruptive technologies to increase our revenue base and margins, enabling us in turn to continue to increase the size and scale of our consulting engagements. Our Associate Hub continues to grow, increasing the breadth and depth of supporting expertise available to our engagement teams and clients. Our resourcing business will continue to grow and will continue to develop new services to a wider client base, as part of the public sector's changes in its procurement strategy, and encouragement of SMEs. We will be adding a new business capability in healthcare data analytics from early 2013, with the arrival of our new Insight Team.

We will continue to expand our private sector clients as we work with a range of selected Service Providers on bringing innovative offerings, delivered through newly enabled channels and new commercial models.

In summary, Methods is now starting to benefit from the changes implemented during 2011 and 2012, and during 2013-14 we expect to continue to see continued growth in demand for our range of digital-era modernisation services.

METHODS CONSULTING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

Directors

The directors who served during the year were

P Rowlin
M P A Thompson
P A Heather
C Day

Environment

Methods Consulting maintains a significant focus on minimising its carbon footprint. We ensure our environmental commitments play a role in our strategic decision making and we are currently shifting our IT systems onto a cloud-based externally-hosted platform.

We are ensuring that our re-accreditation to ISO 14001 four years ago, includes a continuous improvement in our operating processes and practices aimed at on-going reductions in the company's environmental impact. We have achieved our stated aims of carbon reduction, and reduction in waste that we produce, and will continue in our quest to reduce our environmental impact through reducing our use of consumables and electricity, as well as having water filters to reduce consumption of bottled water.

We support our employees' use of public transport via initiatives such as the National Cycle to Work scheme, an interest-free travel loan, and the fact that we do not have company cars. Our office environment is in a shared building which is both modern and efficient and centrally controlled by a Building Management System, and we regularly look at new techniques and technologies to reduce consumption and waste in all aspects of our business and our day to day activities.

We are committed to identifying new initiatives and opportunities for improvement and will continue to strive for an efficient and effective business that minimises its impact on the environment.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

The auditors - are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board



P Rowlin

Director

Dated 24/12/2012

METHODS CONSULTING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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). 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,
- 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 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.

METHODS CONSULTING LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF METHODS CONSULTING LIMITED

We have audited the financial statements of Methods Consulting Limited for the year ended 30 April 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Paul Beber (Senior Statutory Auditor)

for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House
11-15 William Road
London
NW1 3F R

Dated 2 December 2012

METHODS CONSULTING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2012

	Notes	2012 £'000	2011 £'000
Turnover	2	28,739	34,921
Other external charges		(23,540)	(29,680)
Staff costs	5	(2,742)	(2,876)
Depreciation		(21)	(80)
Other operating charges		(1,948)	(1,279)
Operating profit	3	488	1,006
Other interest receivable and similar income		2	1
Amounts written off investments	6	(335)	-
Interest payable and other expenses	7	(10)	(11)
Profit on ordinary activities before taxation		145	996
Tax on profit on ordinary activities	8	(130)	(307)
Profit for the year	17	15	689

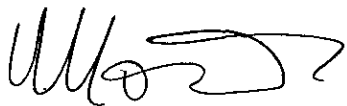
The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

METHODS CONSULTING LIMITED**BALANCE SHEET****AS AT 30 APRIL 2012**

	Notes	2012		2011	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		13		11
Investments	10		320		655
			<u>333</u>		<u>666</u>
Current assets					
Debtors	11	12,634		13,083	
Cash at bank and in hand		143		607	
		<u>12,777</u>		<u>13,690</u>	
Creditors amounts falling due within one year	12	<u>(5,439)</u>		<u>(6,601)</u>	
Net current assets			<u>7,338</u>		<u>7,089</u>
Total assets less current liabilities			<u>7,671</u>		<u>7,755</u>
Creditors amounts falling due after more than one year	13		<u>(99)</u>		<u>(198)</u>
			<u>7,572</u>		<u>7,557</u>
Capital and reserves					
Share premium account	17		352		352
Profit and loss account	17		7,220		7,205
Shareholders' funds	18		<u>7,572</u>		<u>7,557</u>

Approved by the Board and authorised for issue on 20/2/2012


P Rowlin
Director

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with accounting standards

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

1.3 Revenue recognition

Turnover represents amounts receivable for services net of VAT and trade discounts

Time and materials revenue is recognised to the extent that time has been completed and materials expensed in the period

Fixed price contract revenues are recognised as contract activity progresses to reflect partial performance of the company's contractual obligations. Where this right to consideration arises the occurrence of a critical event (stage of deliverables or contract milestone) the revenue recognised when the event occurs. Where it is considered that the outcome of the contract can be assessed with reasonable certainty before its conclusion, the attributable profit is recognised. Foreseeable losses on contracts are recognised immediately

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	33% straight line
Fixtures, fittings & equipment	33% straight line
Vehicles	10% straight line

1.5 Leasing

Rental payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.8 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

1 Accounting policies (Continued)

19 Share based options

The ultimate parent company issues equity-settled share based payments to certain employees (including directors). The company accounts for share-based payments transactions with employees in accordance with Financial Reporting Standard (FRS) No. 20 'Share-based payments'. The cost of granting share options is recognised through the profit and loss account from the date of grant and over the vesting period of the options. Where the performance of certain non-market conditions are required to be satisfied before the options can vest, the company estimates the fair value of the options to be nil if these conditions are not likely to arise in the near future. This estimate is revised at each financial year end. Where the options vest on date of grant and the company expects the options to be exercised within a short period of time, the company calculates the cost of the grant using the intrinsic value of the underlying shares to be obtained on exercise as this is expected to amount to a reasonable approximation of the fair value of the options.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2012	2011
	£'000	£'000
Operating profit is stated after charging		
Depreciation of owned tangible fixed assets	21	80
Operating lease rentals		
- Plant and machinery	14	4
- Other assets	237	237
Auditors' remuneration (including expenses and benefits in kind)	14	18
	<u> </u>	<u> </u>

4 Directors' emoluments	2012	2011
	£'000	£'000
Emoluments for qualifying services	-	418
Company pension contributions to money purchase schemes	-	27
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 0 (2011 - 1)

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

5 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Office and Admin	5	14
Sales and Marketing	16	23
Consultants	18	-
	<u>39</u>	<u>37</u>

Employment costs

	2012 £'000	2011 £'000
Wages and salaries	2,416	2,526
Social security costs	295	292
Other pension costs	31	58
	<u>2,742</u>	<u>2,876</u>

6 Amounts written off investments

	2012 £'000	2011 £'000
Amounts written off fixed asset investments - permanent diminution in value	<u>335</u>	<u>-</u>

7 Interest payable and other expenses

	2012 £'000	2011 £'000
Interest payable	-	1
Other expenses	10	10
	<u>10</u>	<u>11</u>

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

8 Taxation	2012	2011
	£'000	£'000
Domestic current year tax		
U K corporation tax	128	307
Adjustment for prior years	2	-
	<hr/>	<hr/>
Current tax charge	130	307
	<hr/> <hr/>	<hr/> <hr/>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	145	996
	<hr/>	<hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.84% (2011 - 28.00%)	37	279
	<hr/>	<hr/>
Effects of		
Non deductible expenses	97	13
Depreciation add back	5	-
Capital allowances	(8)	-
Adjustments to previous periods	2	-
Other tax adjustments	(3)	15
	<hr/>	<hr/>
	93	28
	<hr/>	<hr/>
Current tax charge	130	307
	<hr/> <hr/>	<hr/> <hr/>

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 May 2011	534	172	68	774
Additions	23	-	-	23
At 30 April 2012	557	172	68	797
Depreciation				
At 1 May 2011	523	172	68	763
Charge for the year	21	-	-	21
At 30 April 2012	544	172	68	784
Net book value				
At 30 April 2012	13	-	-	13
At 30 April 2011	11	-	-	11

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

10 Fixed asset investments

	Unlisted investments £'000
Cost	
At 1 May 2011 & at 30 April 2012	655
Provisions for diminution in value	
At 1 May 2011	-
Charge for the year	335
At 30 April 2012	335
Net book value	
At 30 April 2012	320
At 30 April 2011	655

In the opinion of the directors, the value of the unquoted investments are not less than their costs.

The unquoted investments include an amount of £335,000 (2011: 335,000) relating to an interest in Big Screen Productions 7 LLP and an amount of £320,000 (2011: £320,000) relating to an interest in Big Screen Productions 13 LLP.

The latest available financial statements for Big Screen Productions 7 LLP are for the year ended 31 March 2011 and for that year a profit of £34,000 (2011: loss £175,000) was reported with total members' interests of £1,230,000 (2010: £2,016,000). The company's share of investment is 1.36%. The latest available financial statements for Big Screen Productions 13 LLP are for the period ended 31 March 2011 and for that period a profit of £113,000 (2011: loss £613,000) was reported with total members' interests of £3,915,000 (2011: £4,261,000). The company's share of this investment is 0.68%.

As at 30 April 2012 the directors do not believe that the investment in Big Screen Productions 7 LLP is recoverable and therefore a provision has been made.

11 Debtors	2012 £'000	2011 £'000
Trade debtors	2,684	3,509
Amounts owed by group undertakings	7,196	7,105
Other debtors	47	24
Prepayments and accrued income	2,707	2,445
	12,634	13,083

At the year end trade debtors included £2,295,839 (2011: £3,051,164) under invoice discounting arrangements.

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

12	Creditors amounts falling due within one year	2012 £'000	2011 £'000
	Bank overdrafts	-	4
	Trade creditors	2,065	2,691
	Corporation tax	128	307
	Other taxes and social security costs	373	391
	Directors' current accounts	281	645
	Other loans	99	-
	Other creditors	16	32
	Accruals and deferred income	2,477	2,531
		<u>5,439</u>	<u>6,601</u>

The invoice discounting facility is secured by a fixed and floating charge over the company's assets

13	Creditors amounts falling due after more than one year	2012 £'000	2011 £'000
	Other loans	99	198
		<u>99</u>	<u>198</u>

14 Pension and other post-retirement benefit commitments

Defined contribution

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. The pension cost charge represents contributions payable to the fund and amounted to £31 (2011- £58)

15 Share-based payment transactions

During the year end 30 April 2012, the company had one share-based payment arrangement, which is described below

On 15 December 2011, the company granted options over 22,442 shares of £1 each at a subscription price of £1.30. The options vest upon change of ownership, a transfer of business or listing of the company and have an option period of 10 years. The fair value of the options granted was £nil

16	Share capital	2012 £	2011 £
	Allotted, called up and fully paid		
	400 Ordinary shares of £1 each	400	400
		<u>400</u>	<u>400</u>

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

17 Statement of movements on reserves

	Share premium account	Profit and loss account
	£'000	£'000
Balance at 1 May 2011	352	7,205
Profit for the year	-	15
Balance at 30 April 2012	<u>352</u>	<u>7,220</u>

18 Reconciliation of movements in shareholders' funds

	2012	2011
	£'000	£'000
Profit for the financial year	15	689
Opening shareholders' funds	7,557	6,868
Closing shareholders' funds	<u>7,572</u>	<u>7,557</u>

19 Financial commitments

At 30 April 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2013

	Land and buildings		Other	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Operating leases which expire Between two and five years	<u>237</u>	<u>237</u>	<u>11</u>	<u>-</u>

20 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

Milestone Operations Limited is a company formerly controlled by the parent company and in which the controlling shareholding was disposed of in the prior year. The company is incorporated in England and Wales. At 30 April 2012 Milestone Operations Limited owed £11,152 (2011: £nil) to the company.

The shareholders, who are also directors, issued an interest free loan to the company during the year ended 30 April 2010. The amount outstanding at 30 April 2012 was £281,200 (2011: £431,200).

METHODS CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

21 Controlling parties

The immediate parent company of the company is Methods Holdings Limited, a company incorporated in England and Wales. The ultimate parent company is Acre 1145 Limited, a company incorporated in England and Wales. Acre 1145 Limited prepares group financial statements which are available from the registered office, 9th Floor, 125 Shaftsbury Avenue, London, WC2H 8AD.

The Directors consider the ultimate controlling party to be Mr P Rowlin, by virtue of his shareholdings in Acre 1145 Limited.