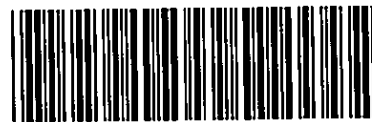


Eagle 4 Limited

Annual Report and Financial Statements

For the year ended 31 March 2012

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COMPANIES HOUSE

Registered No 5593414

Eagle 4 Limited

Registered No 5593414

Directors

Andrew Silverbeck
Mark Pearson

Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Bankers

HSBC Bank plc
West End Corporate Banking Centre
70 Pall Mall
London
SW1Y 5EZ

Registered office

2nd Floor
Exchequer Court
33 St Mary Axe
London
EC3A 8AA

Directors' report

The directors present their annual report and financial statements for the year ended 31 March 2012

Results and dividends

The profit after taxation for the financial year ended 31 March 2012 amounted to \$174,650,091 mainly attributable to gains arising on sale of subsidiaries to other group companies as described on page 10 (2011 \$625,621) The directors do not recommend the payment of an ordinary dividend for the year (2011 \$nil)

Principal activity of the business

The company is principally engaged as the in-house bank for all operating companies within the group It also acts as an intermediate group holding company

Until 25 July 2011 the ultimate parent company and controlling party was ERM Group Holdings Limited On 25 July 2011, ERM Worldwide Limited became the new ultimate parent company for the ERM group

The Companies Act requires directors to disclose the company's Key Performance Indicators (KPIs) The company's ultimate parent undertaking, ERM Worldwide Limited, manages its KPIs at a segment and geographical level The board reviews the KPIs of all ERM operating entities at a group level As a result the directors have taken the decision not to disclose KPIs in individual subsidiary financial statements

Directors and their interests

The directors who served during the year were as follows

Andrew Silverbeck

Mark Pearson

None of the directors had any interests in the shares of the company during the year

Analysis of risk factors

The main risks arising from the company's financial instruments are foreign currency risk and interest rate risk The board reviews policies for managing each of these risks and they are summarised as follows

Foreign Currency Risk

The company operates in local currencies in its main operating jurisdictions Transactions in other foreign currencies are recorded at the rate ruling at the date of transaction and outstanding balances are regularly revalued to reflect the prevailing rates of exchange

Interest Rate Risk

The company takes deposits from and/or gives loans to operating companies within the ERM group in the respective operating company's base currency The company pays and/or receives interest on deposits and/or loans at the LIBOR equivalent of the currency borrowed minus/plus a margin The current policy is not to hedge any of these transactions The company does not have a material exposure to investment risk.

Directors' report (continued)

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information. This statement is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



Andrew Silverbeck
Director

3 October 2012

Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 their profit or loss for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Independent auditor's report

to the members of Eagle 4 Limited

We have audited the financial statements of Eagle 4 Limited for the year ended 31 March 2012 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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.

Independent auditor's report (continued)

to the members of Eagle 4 Limited

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



Andrew Marshall (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

5 October 2012

Profit and loss account

For the year ended 31 March 2012

		<i>Year ended 31 March 2012</i>	<i>Year ended 31 March 2011</i>
	<i>Notes</i>	<i>\$</i>	<i>\$</i>
Other operating (costs) / income	2	(1,639,552)	71,020
Operating (loss) / profit		<u>(1,639,552)</u>	<u>71,020</u>
Gain on sale of investments	3	155,267,750	-
Interest receivable and similar income	4	33,921,297	7,065,774
Interest payable and similar charges	5	(6,082,954)	(4,009,177)
Profit on ordinary activities before taxation		<u>181,466,541</u>	<u>3,127,617</u>
Tax charge on profit on ordinary activities	6	(6,816,450)	(2,501,996)
Profit for the financial year		<u><u>174,650,091</u></u>	<u><u>625,621</u></u>

There are no material differences between those stated above and those under the historical cost basis

The accompanying notes on pages 9 to 15 form part of these financial statements

There are no recognised gains or losses other than as shown above


Balance sheet

at 31 March 2012

	<i>Notes</i>	<i>2012</i> \$	<i>2011</i> \$
Fixed assets			
Investments	7	458,180,101	418,771,431
Current assets			
Debtors	8	898,027,539	246,482,880
Cash at bank and in hand		6,156,103	9,102,932
		904,183,642	255,585,812
Creditors: amounts falling due within one year	9	(879,861,956)	(366,505,547)
Net current assets / (liabilities)		24,321,686	(110,919,735)
Total assets less current liabilities		482,501,787	307,851,696
Creditors amounts falling due after more than one year			
Bank loan	10	-	-
Capital and reserves			
Called up share capital	11	2,086,817	2,086,817
Share premium account	12	316,552,364	316,552,364
Profit and loss account	12	163,862,606	(10,787,485)
Equity shareholders' funds	12	482,501,787	307,851,696
		482,501,787	307,851,696

The accompanying notes on pages 9 to 15 form part of these financial statements

These financial statements were approved by the board of directors on 3 October 2012 and were signed by



Andrew Silverbeck
Director

Notes to the financial statements

at 31 March 2012

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' Report on page 2 and 3

The company is an intermediate holding and operating company and is dependent on the central financing arrangements of the ERM group. On 25 July 2011 Charterhouse General Partners (IX) Limited acquired a majority stake in the ultimate parent company, ERM Group Holdings Limited, as part of a management buy-out from Bridgepoint. Following completion of the transaction, ERM Worldwide Limited became the new ultimate parent company of the ERM group. The directors, having assessed the response of the directors of the ultimate parent company to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the ultimate parent company to continue as a going concern. On the basis of their assessment of the company's financial position and of the enquiries made of the directors of the ultimate parent company, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial accounts.

Statement of cash flows

The company has taken advantage of the exemption in FRS 1 from producing a statement of cash flows on the grounds that it is a wholly owned subsidiary and its results are included in the publicly available group financial statements of ERM Worldwide Limited, the ultimate parent company.

Basis of consolidation

The company is a wholly owned subsidiary of ERM Worldwide Limited and is included in the group financial statements prepared by that company as at 31 March 2012. The company has therefore taken advantage of the exemption provided by section 400 of the Companies Act 2006 not to prepare group financial statements.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. The carrying values of fixed assets are reviewed for impairments in periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or right to pay less or to receive more tax, with following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable, and
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 March 2012

1. Accounting policies (continued)

Interest bearing borrowings

Immediately after issue, debt is stated at the fair value of the consideration received on the issue of the capital instrument and after deduction of issue costs. The finance cost of the debt is allocated to periods over the term of the debt on an amortised cost basis, with the exception of any revolving facility which is allocated at a constant rate on the carrying amount.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account (included under operating loss).

2. Other operating (costs) / income

	<i>Year ended 31 March 2012 \$</i>	<i>Year ended 31 March 2011 \$</i>
Foreign exchange (losses) / gains	(1,089,888)	367,018
Other operating costs	(549,664)	(295,998)
	<u>(1,639,552)</u>	<u>71,020</u>

The audit fee for the year ended 31 March 2012 payable to the company's auditor, KPMG LLP, was \$3,125 (2011 - \$3,200). The audit fee for the year end 31 March 2012 was borne by another group company.

There were no employees and no other staff related costs.

Total aggregate emoluments for directors during the year ended 31 March 2012 comprised \$nil (2011 - \$nil). Their emoluments were borne by another group company.

3. Gain on sale of investments

During the year, the company sold its 100% investment holding stake in Eagle US, Inc to ERM Emerald US, Inc for a total consideration of \$242,700,000 in exchange for an issue of shares for \$139,500,000 and intercompany debt of \$103,200,000. The gain arising on sale of this investment was \$144,009,917. The net book value of the investment sold was \$98,690,083.

In addition, during the year, the company sold its 100% investment holding stake in ERM GmbH to Emerald Germany GmbH for \$12,700,000 (Euro 8,831,097) in exchange for an intercompany loan. The gain arising on the sale of this investment was \$11,257,833. The net book value of the investment sold was \$1,442,167.

Notes to the financial statements

at 31 March 2012

4. Interest receivable and similar income

	<i>Year ended 31 March 2012</i>	<i>Year ended 31 March 2011</i>
	\$	\$
Bank interest	-	13,792
Interest receivable on amount due from group undertakings	32,473,243	7,051,982
Foreign exchange gains on retranslation of external loans	1,448,054	-
	<u>33,921,297</u>	<u>7,065,774</u>

5. Interest payable and similar charges

	<i>Year ended 31 March 2012</i>	<i>Year ended 31 March 2011</i>
	\$	\$
Interest on bank loans and overdraft	5,163,200	237,578
Amortisation of deferred finance charges	580,685	82,327
Foreign exchange losses on retranslation of intercompany loans	339,069	3,689,272
	<u>6,082,954</u>	<u>4,009,177</u>

6. Tax charge on profit on ordinary activities

(a) Analysis of the tax charge for the year

	<i>Year ended 31 March 2012</i>	<i>Year ended 31 March 2011</i>
	\$	\$
<i>Current tax</i>		
Current year	6,806,377	845,885
Prior year adjustment	10,073	1,536,959
Current tax charge – group relief payable (note 6(b))	<u>6,816,450</u>	<u>2,382,844</u>
<i>Deferred tax</i>		
Deferred tax charge – (note 6(c))	-	119,152
Tax charge on profit on ordinary activities	<u>6,816,450</u>	<u>2,501,996</u>

Notes to the financial statements

at 31 March 2012

6. Tax charge on profit on ordinary activities (continued)

(b) Factors affecting current tax charge for the year

The tax assessed for the year is the profit on ordinary activities before tax multiplied by the statutory rate of corporation tax in the UK of 26% (2011 – 28%) The difference is set out below

	<i>Year ended 31 March 2012 \$</i>	<i>Year ended 31 March 2011 \$</i>
Profit on ordinary activities before tax	181,466,541	3,127,617
Profit on ordinary activities multiplied by the statutory rate of corporation tax in the UK of 26% (2011 - 28%)	47,181,301	875,733
<i>Effects of</i>		
Non-taxable income	(40,374,924)	(29,848)
Prior year adjustment	10,073	1,536,959
Current tax charge – group relief payable (note 6(a))	6,816,450	2,382,844

(c) Deferred tax

The movement in deferred tax recognised relating to losses at 24% (2011 – 26%) is as follows

	<i>2012 \$</i>	<i>2011 \$</i>
At beginning of year	-	(119,152)
Tax charge/ (credit) in the profit and loss account (note 6(a))	-	119,152
At end of year	-	-

(d) Factors that may affect future tax charges

The statutory rate of UK corporation tax reduced to 24% from 1 April 2012, with further 1% reductions expected in each of the next two years to bring the rate down to 22% by 1 April 2014

Notes to the financial statements

at 31 March 2012

7. Fixed asset investments

	<i>Subsidiary Undertakings</i>
	\$
Cost:	
At 31 March 2011	418,771,431
Additions:	
Emerald Germany GmbH (see note (a))	40,919
ERM Emerald US Inc (see Note 3)	139,500,001
Disposals	
ERM GmbH (see Note 3)	(1,442,167)
Eagle US, Inc (see Note 3)	(98,690,083)
At 31 March 2012	<u>458,180,101</u>

(a) The company acquired a 100% shareholding stake in Emerald Germany GmbH from an external German company named Blitzstart Holding AG for a total consideration of \$40,919 (Euro 28,500)

The following is a list of the company's principal subsidiary undertakings and particulars of the shareholdings therein as at 31 March 2012

<i>Company name</i>	<i>Country of Incorporation</i>	<i>Class of shares</i>	<i>Proportion held</i>
Emerald Germany GmbH	Germany	Ordinary	100%
ERM Emerald US, Inc	US	Ordinary	100%
ERM Holdings Ltd	United Kingdom	Ordinary	100%

For all the subsidiary undertakings listed above the country of operation is the same as the country of incorporation

The nature of the business of the above undertakings is principally that of intermediate group holding companies, except for ERM GmbH. The principal activity of ERM GmbH is provision of environmental, risk and health and safety and sustainability consultancy services

8. Debtors

	<i>2012</i>	<i>2011</i>
	\$	\$
Amounts due from group undertakings	896,149,817	246,098,686
Other receivables	11,047	-
Deferred finance charges (note 10)	1,866,675	384,194
	<u>898,027,539</u>	<u>246,482,880</u>

Notes to the financial statements

at 31 March 2012

9. Creditors: amounts falling due within one year

	2012	2011
	\$	\$
Amounts due to group undertakings	863,901,639	365,686,212
Group relief payable	3,840,487	732,589
Accruals	119,830	86,746
Bank loans (note 10)	12,000,000	-
	<u>879,861,956</u>	<u>366,505,547</u>

10. Creditors: amounts falling due after more than one year

	2012	2011
	\$	\$
Bank loans	-	-
	<u>-</u>	<u>-</u>

On 8 December 2005 the company entered into a 7 year Revolving Credit Facility with a syndicate of banks led by Bank of Scotland. On 25 July 2011 the facility was repaid and cancelled.

On 25 July 2011, Charterhouse General Partners (IX) Limited acquired a majority stake in the ERM group. The transaction resulted in a change of control of the then ultimate parent company, ERM Group Holdings Limited. The company's indirect parent undertaking, Emerald 2 Limited, entered into a \$525 million Syndicated Facility Agreement with a syndicate of banks led by HSBC. This loan is secured by a fixed and floating charge over the assets of the group.

Within the \$525 million Syndicated Debt Facility is a \$50 million Revolving Credit Facility. On 25 July 2011 \$20 million was drawn on this facility which was used to repay the \$20 million outstanding on the previous Bank of Scotland Revolving Credit Facility.

During the period from 25 July 2011 to 31 March 2012, \$8 million of the Revolving Credit Facility was repaid leaving \$12 million drawn. Interest accrues at 3 month USD LIBOR plus 3.75%.

The new Revolving Credit Facility may be used as security for Ancillary Facilities. On 31 March 2012, \$5 million had been provided as security for bank guarantees of which \$2.4m was utilised.

At 31 March 2012, as the Revolving Facility has not been fully drawn, the deferred finance charges of \$1,866,675 (2011 - \$384,194) have been disclosed within debtors (note 8). The deferred finance charges relating to the old financing arrangements of the group have been written off during the year ending 31 March 2012.

Notes to the financial statements

at 31 March 2012

11. Share capital

	<i>Allotted, called up and fully paid</i>			
	<i>2012</i>	<i>2012</i>	<i>2011</i>	<i>2011</i>
	<i>No</i>	<i>\$</i>	<i>No</i>	<i>\$</i>
Ordinary shares of \$1 00 each	2,086,817	2,086,817	2,086,817	2,086,817

12. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
At 31 March 2010	2,086,817	316,552,364	(11,413,106)	307,226,075
Profit for the year	-	-	625,621	625,621
At 31 March 2011	2,086,817	316,552,364	(10,787,485)	307,851,696
Profit for the year	-	-	174,650,091	174,650,091
At 31 March 2012	2,086,817	316,552,364	163,862,606	482,501,787

13. Related party disclosures

The company is a member of the ERM Worldwide Limited group of companies. In accordance with the exemption conferred by FRS 8, the company has not disclosed transactions with other 100% owned group undertakings.

14. Ultimate parent company and controlling party

The immediate parent company is Eagle 3 Limited.

Until 25 July 2011 the ultimate parent company and controlling party was ERM Group Holdings Limited. On 25 July 2011 ERM Worldwide Limited became the new ultimate parent company for the ERM group. ERM Worldwide Limited included the company in its group financial statements for the year ended 31 March 2012, copies of which are available from Companies House.