

**CALGON EUROPE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**30 NOVEMBER 2013**

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**CALGON EUROPE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 NOVEMBER 2013**

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**CALGON EUROPE LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	C R Lee J Gamble (appointed 31 March 2014) J Smith (appointed 15 July 2013; resigned 31 March 2014) D Johnson (resigned 15 July 2013)
<b>Company secretary</b>	W Joyce
<b>Registered office</b>	Winnington Avenue Northwich Cheshire CW8 4DX
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 101 Barbirolli Square Lower Mosley Street Manchester M2 3PW
<b>Bankers</b>	Bank of America 26 Elmfield Road Bromley Kent BR1 1WA
<b>Solicitors</b>	Eversheds 70 Great Bridgewater Street Manchester M1 5ES

**CALGON EUROPE LIMITED**  
**STRATEGIC REPORT**  
**PERIOD ENDED 30 NOVEMBER 2013**

The directors present the strategic report on the company for the period ended 30 November 2013.

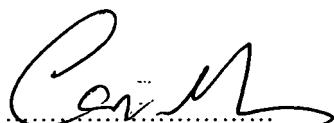
**Review of the business and key performance indicators**

The company does not trade. For this reason the directors believe that analysis using key performance indicators is not necessary or appropriate for an understanding of the development, performance or strategic position of the company

**Principal risks and uncertainties**

The key business risk affecting the company is the continued financial support of the parent company Nalco Limited.

Approved by the board of directors and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C R Lee', written over a dotted line.

C R Lee  
Director  
20 June 2014

**CALGON EUROPE LIMITED**  
**THE DIRECTORS' REPORT**  
**PERIOD ENDED 30 NOVEMBER 2013**

The directors present their report and the audited financial statements of the company for the period ended 30 November 2013. The company has elected to change its year end to be in line with its fellow subsidiaries and accordingly presents an 11 month accounting period ended 31 November 2013.

The Directors' Report has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

A review of the business of the company and future developments is included in the strategic report.

The company did not trade during the period, but incurred interest charges from loans from group undertakings. As the company did not trade, the company is not exposed to financial risks such as price risk, credit risk, liquidity risk and cash flow risk.

With respect to interest rate risk, the company has lendings with other group undertakings at a floating rate of interest. During the period, the interest rate exposure was reviewed but it was not deemed necessary to cover the interest rate exposure by any financial instruments.

**RESULTS AND DIVIDENDS**

The loss for the financial period amounted to £6,000 (2012: loss of £7,000).

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the parent company Nalco Limited. The directors have received confirmation that Nalco Limited intend to support the company for at least one year after these financial statements are signed.

The directors have not recommended a dividend (2012: £nil).

**DIRECTORS**

The directors of the company who were in office during the period and up to the date of signing the financial statements are listed on page 1.

There are no directors' interests requiring disclosure under the Companies Act 2006.

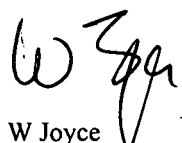
**DISCLOSURE OF INFORMATION TO AUDITORS**

So far as each director is aware:

- (a) There is no relevant audit information of which the company's auditors are unaware; and
- (b) Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Registered office:  
Winnington Avenue  
Northwich  
Cheshire  
CW8 4DX

Signed on behalf of the directors



W Joyce  
Company Secretary

Approved by the directors on 20 June 2014

**CALGON EUROPE LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**PERIOD ENDED 30 NOVEMBER 2013**

The directors are responsible for preparing the Strategic Report, 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 period. Under that law the directors have prepared 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 judgments and accounting 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;
- 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.

## **CALGON EUROPE LIMITED**

### **Independent auditors' report to the members of Calgon Europe Limited**

#### **Report on the financial statements**

##### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 November 2013 and of its loss for the period 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.

This opinion is to be read in the context of what we say in the remainder of this report.

##### **What we have audited**

The financial statements, which are prepared by Calgon Europe Limited, comprise:

- the Balance Sheet as at 30 November 2013;
- the profit and loss account for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **CALGON EUROPE LIMITED**

### **Independent auditors' report to the members of Calgon Europe Limited** *(continued)*

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

#### **Other matters on which we are required to report by exception**

##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

##### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report. We have no exceptions to report arising from this responsibility.

#### **Responsibilities for the financial statements and the audit**

##### **Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements 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 an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Nicholas Gower (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester

[Date] 20 June 2014



**CALGON EUROPE LIMITED**  
**COMPANY NUMBER 224165**  
**PROFIT AND LOSS ACCOUNT**  
**PERIOD ENDED 30 NOVEMBER 2013**

	Note	11 months ended 2013 £000	Year ended 2012 £000
Other operating income		-	-
<b>OPERATING RESULT</b>	<b>2</b>	-	-
Interest payable and similar charges	<b>4</b>	(6)	(7)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(6)	(7)
Tax on loss on ordinary activities	<b>5</b>	-	-
<b>LOSS FOR THE FINANCIAL PERIOD</b>		(6)	(7)

The above represents the results from continuing operations.

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial period stated above and the historical cost equivalents.

The company has no recognised gains and losses other than those shown in the results above, and therefore no separate statement of recognised gains and losses has been presented.

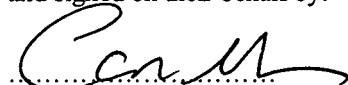
**CALGON EUROPE LIMITED**  
**COMPANY NUMBER 224165**

**BALANCE SHEET**

**30 NOVEMBER 2013**

	Note	Nov 2013 £000	Dec 2012 £000
<b>CREDITORS: Amounts falling due within one year</b>	<b>6</b>	<b><u>(204)</u></b>	<b><u>(198)</u></b>
<b>NET CURRENT LIABILITIES</b>		<b><u>(204)</u></b>	<b><u>(198)</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>(204)</u></b>	<b><u>(198)</u></b>
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>7</b>	<b><u>(1,383)</u></b>	<b><u>(1,383)</u></b>
<b>NET LIABILITIES</b>		<b><u>(1,587)</u></b>	<b><u>(1,581)</u></b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	<b>9</b>	<b>66</b>	<b>66</b>
Profit and loss account	<b>10</b>	<b><u>(1,653)</u></b>	<b><u>(1,647)</u></b>
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	<b>10</b>	<b><u>(1,587)</u></b>	<b><u>(1,581)</u></b>

The financial statements on pages 7 to 12 were approved by the board of directors on 20 June 2014 and signed on their behalf by:



C R Lee  
Director

**CALGON EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 NOVEMBER 2013**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the current period.

**Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The company has elected to change its year end to be in line with its fellow subsidiaries and accordingly presents an 11 month accounting period ended 31 November 2013.

The financial statements have been prepared on a going concern basis as the parent undertaking has confirmed that it will continue to provide any necessary funds to enable the company to continue trading in the foreseeable future.

Having considered the factors referred to above, the directors consider that it is appropriate to adopt the going concern basis of preparing the financial statements. The financial statements do not include any adjustments that might be necessary if the financial support was not forthcoming.

**Cash flow statement**

No cash flow statement has been prepared in accordance with FRS 1 (Revised) 1996 as the financial statements of Ecolab Inc, a company incorporated in the United States of America and the ultimate parent company include a consolidated cash flow statement which includes the company's cash flows.

**Foreign currencies**

Foreign currency transactions are translated into the local currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

**CALGON EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 NOVEMBER 2013**

**2. OPERATING RESULT**

Auditors' remuneration is borne by fellow group company, Nalco Limited.

**3. PARTICULARS OF EMPLOYEES**

There were no staff employed by the company during the financial period. The directors did not receive any remuneration for service to the company.

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2013 £000	2012 £000
Interest payable to group undertakings	<u>6</u>	<u>7</u>

Interest paid to group undertakings is loan interest charged at a variable rate based on the Bank of England base rate, in line with the loan agreements.

**5. TAX ON LOSS ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the period**

	2013 £000	2012 £000
Current tax:		
In respect of the period:		
UK Corporation tax based on the loss for the period at 23.27% (2012 – 24.5%)	<u>-</u>	<u>-</u>

**(b) Factors affecting current tax charge**

The tax assessed on the loss on ordinary activities for the period is higher (2012: higher) than the standard rate of corporation tax in the UK of 23.27% (2012 – 24.5%).

	2013 £000	2012 £000
Loss on ordinary activities before taxation	<u>(6)</u>	<u>(7)</u>
Loss on ordinary activities by rate of tax	<u>(1)</u>	<u>(2)</u>
Group relief	<u>1</u>	<u>2</u>
Total current tax (note 5(a))	<u>-</u>	<u>-</u>

**CALGON EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 NOVEMBER 2013**

**5. TAX ON ORDINARY ACTIVITIES *(continued)***

**(c) Significant items affecting future years**

The 2013 Budget on 20 March 2013 announced reductions to the UK corporation tax rate whereby the main rate of UK Corporation Tax is to reduce by 2% per annum to 21% on 1 April 2014 and by a further 1% per annum to 20% per annum on 1 April 2015. These changes were substantively enacted on 17 July 2013 and the deferred tax asset at 31 December 2013 has been re-measured accordingly.

**6. CREDITORS: Amounts falling due within one year**

	2013	2012
	£000	£000
Amounts owed to group undertakings	<u>204</u>	<u>198</u>

Amounts owed to group undertakings include loans which are unsecured and accrue interest at a variable rate based on the Bank of England base rate.

**7. CREDITORS: Amounts falling due after more than one year**

	2013	2012
	£000	£000
Amounts owed to group undertakings	<u>1,383</u>	<u>1,383</u>

Amounts owed to group include loans which are unsecured and accrue interest at a variable rate based on the Bank of England base rate.

**8. RELATED PARTY TRANSACTIONS**

As a 100% owned subsidiary undertaking of Ecolab Inc, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" from disclosing transactions with other members of the group headed by Ecolab Inc.

**CALGON EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 NOVEMBER 2013**

**9. CALLED UP SHARE CAPITAL**

**Authorised share capital:**

	2013	2012
	£000	£000
65,780 (2012: 65,780) Ordinary shares of £1 each	<u>66</u>	<u>66</u>

**Allotted, called up and fully paid:**

	2013		2012	
	No	£000	No	£000
Ordinary shares of £1 each	<u>65,780</u>	<u>66</u>	<u>65,780</u>	<u>66</u>

**10. MOVEMENTS ON SHAREHOLDERS' DEFICIT**

	Called up share capital £000	Profit and loss account £000	Total share- holders' deficit £000
At 1 January 2013	66	(1,647)	(1,581)
Loss for the financial period	—	(6)	(6)
At 30 November 2013	<u>66</u>	<u>(1,653)</u>	<u>(1,587)</u>

**11. ULTIMATE PARENT COMPANY**

The directors regard Ecolab Inc, incorporated in USA, as the ultimate parent company and the ultimate controlling party.

Ecolab Inc is the parent company of the largest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 370 N. Wabasha Street, St. Paul, Minnesota 55102-2233, USA.

Nalco Limited is the parent company of the smallest group of which the company is a member.