

**Registered number: 01781059**

**GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**



## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **COMPANY INFORMATION**

<b>Director</b>	S Bitboul
<b>Registered number</b>	01781059
<b>Registered office</b>	c/o PKF Littlejohn LLP 2nd Floor 1 Westferry Circus Canary Wharf London E14 4HD
<b>Independent auditor</b>	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD

## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **CONTENTS**

	<b>Page</b>
<b>Director's Report</b>	<b>1</b>
<b>Director's Responsibilities Statement</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>3 - 5</b>
<b>Statement of Income and Retained Earnings</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8 - 13</b>

**GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

The Director presents his report and the financial statements for the year ended 31 March 2018.

**Results and dividends**

The profit for the year, after taxation, amounted to £220,706 (2017 - £31,234).

**Director**

The Director who served during the year was:

S Bitboul

**Disclosure of information to auditor**

The Director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditor**

Under section 487(2) of the Companies Act 2006, PKF Littlejohn LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

**Small companies note**

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 3<sup>rd</sup> October 2018 and signed on its behalf.

S Bitboul  
Director



## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director must not approve the financial statements unless he is 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 Director is 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 will continue in business.

The Director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

#### **Opinion**

We have audited the financial statements of Groupe D'Etudes Et Conseils en Ingenierie Limited for the year ended 31 March 2018, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, as set out on pages 6 to 13. The relevant financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's shareholder 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 shareholder 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 shareholder for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 2.3 in the financial statements, which concerns the Company's ability to continue as a going concern. As at 31 March 2018, the Company's current liabilities exceeded its current assets by £283,324. Included within current liabilities are other loans amounting to £339,298, which were due to be repaid in March 2014. The Company is currently renegotiating the repayment date, which has not been concluded at the date of approval of the financial statements. In the event that repayment is unable to be further deferred, the Company may require additional financial support from its parent undertaking. These conditions, along with the other matters explained in note 2.3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED (CONTINUED)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED (CONTINUED)**

#### **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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



David Thompson (Senior Statutory Auditor)

for and on behalf of  
**PKF Littlejohn LLP**

Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London

E14 4HD

Date: 3 October 2018



**GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	2017 £
Turnover	4	1,639,663	833,424
Cost of sales		(1,250,229)	(667,150)
<b>Gross profit</b>		<b>389,434</b>	<b>166,274</b>
Administrative expenses		(147,153)	(121,972)
<b>Operating profit</b>	5	<b>242,281</b>	<b>44,302</b>
Interest payable and expenses	8	(21,575)	(13,068)
<b>Profit before tax</b>		<b>220,706</b>	<b>31,234</b>
Tax on profit	9		
<b>Profit after tax</b>		<b>220,706</b>	<b>31,234</b>
Retained earnings at the beginning of the year		(4,083,243)	(4,114,477)
		(4,083,243)	(4,114,477)
Profit for the year		220,706	31,234
<b>Retained earnings at the end of the year</b>		<b>(3,862,537)</b>	<b>(4,083,243)</b>

The notes on pages 8 to 13 form part of these financial statements.

**GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**  
**REGISTERED NUMBER: 01781059**

**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	144,681	111,987
Cash at bank and in hand		618,309	160,203
		<u>762,990</u>	<u>272,190</u>
Creditors: amounts falling due within one year	11	(1,095,527)	(825,433)
<b>Net current liabilities</b>		<u>(332,537)</u>	<u>(553,243)</u>
<b>Total assets less current liabilities</b>		<u>(332,537)</u>	<u>(553,243)</u>
<b>Net liabilities</b>		<u>(332,537)</u>	<u>(553,243)</u>
<b>Capital and reserves</b>			
Called up share capital	12	3,530,000	3,530,000
Retained deficit		(3,862,537)	(4,083,243)
<b>Shareholders' funds</b>		<u>(332,537)</u>	<u>(553,243)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

3<sup>rd</sup> October 2018.

S Bitboul  
Director

The notes on pages 8 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**1. General information**

The Company provides consultancy and technical support services to high technology industries.

The Company is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 1 Westferry Circus, Canary Wharf, London E14 4HD.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of GECI International SA as at 31 March 2018 and these financial statements may be obtained from the parent company's registered office.

**2.3 Going concern**

The Financial Statements have been prepared on a going concern basis notwithstanding that as at 31 March 2018 the Company's current liabilities exceed its current assets by £332,536 (2017 - £553,243). The parent company, GECI International S.A., has confirmed its continuing financial support to the Company through non repayment of amounts due to group undertakings, unless the Company has sufficient surplus working capital available. The parent company will also provide additional funding to the Company if required.

As detailed in note 11 to the financial statements, the Company has unsecured other loans amounting to £339,298 (equivalent to €385,000) which were due for repayment in March 2014. The Company is currently negotiating the repayment date which has not been concluded at the date of approval of the financial statements. Although unsecured, the Company may need to rely upon additional financial support from the parent undertaking if the loan is required to be repaid.

On the basis of the above, the Director believed it is appropriate to continue to prepare the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. Accounting policies (continued)**

**2.4 Turnover**

Turnover represents amounts invoiced to customers, excluding Value Added Tax. Turnover is recognised when charges are due from clients in accordance with the terms of their contracts, the amount can be reliably measured, and it is probable that future economic benefits will flow to the entity.

**2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**2.6 Cash at bank and in hand**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice.

**2.7 Creditors**

Short term liabilities are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Foreign currency translation**

The Company's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

**2.9 Finance costs**

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**2.10 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from third parties and loans from related parties..

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. Accounting policies (continued)**

**2.10 Financial instruments (continued)**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant areas of estimation or judgement applicable to these Financial Statements.

**4. Turnover**

The whole of the turnover is attributable to the principal activity.

All turnover arose outside of the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Exchange differences	<b>93,889</b>	<b>80,378</b>

**GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**6. Auditor's remuneration**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Fees payable to the Company's auditor in respect of:</b>		
Audit of the Company's financial statements	<b>10,185</b>	10,500
Tax compliance services	<b>2,040</b>	2,040
Audit related assurance services	-	3,500
	<u><b>12,225</b></u>	<u>16,040</u>

**7. Employees**

The Company has no employees other than the Director, who did not receive any remuneration (2017 - £NIL).

The average monthly number of employees, including directors, during the year was 0 (2017 - 0).

**8. Interest payable and similar charges**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Loans from group and related undertakings	<b>21,575</b>	13,068
	<u><b>21,575</b></u>	<u>13,068</u>

**9. Taxation**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Taxation on profit on ordinary activities</b>	<u><b>-</b></u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**9. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<b>220,706</b>	31,234
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	<b>51,285</b>	6,247
<b>Effects of:</b>		
Utilisation of trading losses brought forward	<b>(51,285)</b>	(6,247)
<b>Total tax charge for the year</b>	<b>-</b>	-

**Factors that may affect future tax charges**

The Company has trading losses of approximately £5,133,000 (2017 - £5,369,000) available to carry forward against future trading profits. A deferred tax asset is not recognised on these losses on the grounds that there is insufficient evidence that the asset will be fully recoverable in the foreseeable future.

**10. Debtors**

	2018 £	2017 £
Trade debtors	<b>144,681</b>	111,987
	<b>144,681</b>	111,987

# **GROUPE D'ETUDES ET CONSEILS EN INGENIERIE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

### **11. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Other loans including amounts owed to related parties (note 13)	339,298	326,909
Trade creditors		14,524
Amounts owed to group undertakings	720,262	444,367
Accruals and deferred income	35,967	39,633
	<u>1,095,527</u>	<u>825,433</u>

Other loans are unsecured and the repayment date is currently under negotiation. Interest is payable at 1.5% per annum.

### **12. Share capital**

	2018 £	2017 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
3,530,000 Ordinary shares of £1 each	<u>3,530,000</u>	<u>3,530,000</u>

### **13. Related party transactions**

Included in creditors is £671,049 (2017 - £444,367) due to the ultimate parent company, GECl International SA. Interest is charged on the loan at 1.5% per annum.

Included within creditors is £220,324 (2017 - £212,278) due to Mohacs Trading & Services SA, a company in which S Bitboul is a shareholder. Interest is charged on the loan at 1.5% per annum.

### **14. Controlling party**

GECl International SA, registered in France, is the ultimate parent company. GECl International SA is the parent company of the largest and smallest group of which Groupe D'etudes et Conseils en Ingenierie Limited is a member and for which group financial statements are drawn up for the year ended 31 March 2018. A copy of the group's financial statements are available at the parent company's registered office.