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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 30 September 2013**



  
**Clement Keys** LLP  
CHARTERED ACCOUNTANTS

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**COMPANY INFORMATION**

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|                          |   |
|--------------------------|---|
| <b>DIRECTORS</b>         | R Lissner<br>A G Couch<br>B P Gee   |
| <b>COMPANY SECRETARY</b> | J Pride   |
| <b>REGISTERED NUMBER</b> | 01370733  |
| <b>REGISTERED OFFICE</b> | Gee House<br>Holborn Hill<br>Birmingham<br>B7 5JR   |
| <b>ACCOUNTANTS</b>       | Clement Keys LLP<br>Chartered Accountants<br>No. 8 Calthorpe Road<br>Edgbaston<br>Birmingham<br>B15 1QT |

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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## GEE & CO (EFFLUENT CONTROL) LIMITED

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### DIRECTORS' REPORT for the year ended 30 September 2013

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The directors present their report and the financial statements for the year ended 30 September 2013.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

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 the group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### RESULTS

The profit for the year, after taxation and minority interests, amounted to £148,625 (2012 - £19,019).

#### DIRECTORS

The directors who served during the year were:

R Lissner  
A G Couch  
B P Gee

This report was approved by the board on 8 May 2014 and signed on its behalf.



R Lissner  
Director

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF  
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF GEE & CO (EFFLUENT CONTROL)  
LIMITED  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Gee & Co (Effluent Control) Limited for the year ended 30 September 2013 which comprise the group Profit and loss account, the group and company Balance sheets, the group Cash flow statement and the related notes from the company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations).

This report is made solely to the Board of directors of Gee & Co (Effluent Control) Limited, as a body, in accordance with the terms of our engagement letter dated 20 February 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Gee & Co (Effluent Control) Limited and state those matters that we have agreed to state to the Board of directors of Gee & Co (Effluent Control) Limited, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Gee & Co (Effluent Control) Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Gee & Co (Effluent Control) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that Gee & Co (Effluent Control) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Gee & Co (Effluent Control) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Clement Keys LLP**

Chartered Accountants

No. 8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

8 May 2014

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
for the year ended 30 September 2013

|  | Note | 2013<br>£             | 2012<br>£            |
|--|------|-----------------------|----------------------|
| <b>TURNOVER</b>                                      | 1,2  | <b>6,040,280</b>      | <b>4,621,182</b>     |
| Cost of sales  |      | <u>(4,181,262)</u>    | <u>(3,074,357)</u>   |
| <b>GROSS PROFIT</b>                                  |      | <b>1,859,018</b>      | <b>1,546,825</b>     |
| Administrative expenses                              |      | <u>(1,667,583)</u>    | <u>(1,513,995)</u>   |
| Other operating income                               | 3    | <u>12,792</u>         | <u>8,610</u>         |
| <b>OPERATING PROFIT</b>                              | 4    | <b>204,227</b>        | <b>41,440</b>        |
| Interest receivable and similar income               |      | <u>380</u>            | <u>21</u>            |
| Interest payable and similar charges                 | 7    | <u>(9,156)</u>        | <u>(13,374)</u>      |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | <b>195,451</b>        | <b>28,087</b>        |
| Tax on profit on ordinary activities                 | 8    | <u>(43,544)</u>       | <u>(8,737)</u>       |
| <b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>  |      | <b>151,907</b>        | <b>19,350</b>        |
| Minority interests                                   |      | <u>(3,282)</u>        | <u>(331)</u>         |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | 18   | <b><u>148,625</u></b> | <b><u>19,019</u></b> |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

The notes on pages 7 to 19 form part of these financial statements.

**GEE & CO (EFFLUENT CONTROL) LIMITED**  
Registered number: 01370733

**CONSOLIDATED BALANCE SHEET**  
as at 30 September 2013

|   | Note | £                  | 2013<br>£               | £                  | 2012<br>£               |
|---|------|--------------------|-------------------------|--------------------|-------------------------|
| <b>FIXED ASSETS</b>                                   |      |                    |                         |                    |                         |
| Intangible assets                                     | 9    |                    | 137,500                 |                    | 187,500                 |
| Tangible assets                                       | 10   |                    | 181,258                 |                    | 126,793                 |
| Investment property                                   | 11   |                    | 355,000                 |                    | 355,000                 |
|   |      |                    | <u>673,758</u>          |                    | <u>669,293</u>          |
| <b>CURRENT ASSETS</b>                                 |      |                    |                         |                    |                         |
| Stocks  | 13   | 1,862,832          |                         | 1,728,220          |                         |
| Debtors   | 14   | 816,556            |                         | 581,178            |                         |
| Cash at bank and in hand                              |      | 3,171              |                         | 1,080              |                         |
|   |      | <u>2,682,559</u>   |                         | <u>2,310,478</u>   |                         |
| <b>CREDITORS: amounts falling due within one year</b> | 15   | <u>(2,007,288)</u> |                         | <u>(1,782,649)</u> |                         |
| <b>NET CURRENT ASSETS</b>                             |      |                    | <u>675,271</u>          |                    | <u>527,829</u>          |
| <b>NET ASSETS</b>                                     |      |                    | <u><u>1,349,029</u></u> |                    | <u><u>1,197,122</u></u> |
| <b>CAPITAL AND RESERVES</b>                           |      |                    |                         |                    |                         |
| Called up share capital                               | 17   |                    | 18,333                  |                    | 18,333                  |
| Revaluation reserve                                   | 18   |                    | 69,914                  |                    | 69,914                  |
| Other reserves  | 18   |                    | 6,667                   |                    | 6,667                   |
| Profit and loss account                               | 18   |                    | 1,230,866               |                    | 1,082,241               |
| <b>SHAREHOLDERS' FUNDS</b>                            | 19   |                    | <u>1,325,780</u>        |                    | <u>1,177,155</u>        |
| <b>MINORITY INTERESTS</b>                             |      |                    | <u>23,249</u>           |                    | <u>19,967</u>           |
|   |      |                    | <u><u>1,349,029</u></u> |                    | <u><u>1,197,122</u></u> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 May 2014



**R Lissner**  
Director

The notes on pages 7 to 19 form part of these financial statements.

**GEE & CO (EFFLUENT CONTROL) LIMITED**  
Registered number: 01370733

**COMPANY BALANCE SHEET**  
as at 30 September 2013

|   | Note | £              | 2013<br>£             | £              | 2012<br>£             |
|---|------|----------------|-----------------------|----------------|-----------------------|
| <b>FIXED ASSETS</b>                                   |      |                |                       |                |                       |
| Intangible assets                                     | 9    |                | 137,500               |                | 187,500               |
| Tangible assets                                       | 10   |                | 181,258               |                | 126,793               |
| Investment property                                   | 11   |                | 355,000               |                | 355,000               |
| Investments   | 12   |                | 40,665                |                | 40,665                |
|   |      |                | <u>714,423</u>        |                | <u>709,958</u>        |
| <b>CURRENT ASSETS</b>                                 |      |                |                       |                |                       |
| Debtors   | 14   | 879,795        |                       | 732,509        |                       |
| Cash at bank and in hand                              |      | 3,171          |                       | 1,080          |                       |
|   |      | <u>882,966</u> |                       | <u>733,589</u> |                       |
| <b>CREDITORS: amounts falling due within one year</b> | 15   | (744,092)      |                       | (686,370)      |                       |
| <b>NET CURRENT ASSETS</b>                             |      |                | <u>138,874</u>        |                | <u>47,219</u>         |
| <b>NET ASSETS</b>                                     |      |                | <u><u>853,297</u></u> |                | <u><u>757,177</u></u> |
| <b>CAPITAL AND RESERVES</b>                           |      |                |                       |                |                       |
| Called up share capital                               | 17   |                | 18,333                |                | 18,333                |
| Revaluation reserve                                   | 18   |                | 69,914                |                | 69,914                |
| Other reserves  | 18   |                | 6,667                 |                | 6,667                 |
| Profit and loss account                               | 18   |                | 758,383               |                | 662,263               |
| <b>SHAREHOLDERS' FUNDS</b>                            | 19   |                | <u><u>853,297</u></u> |                | <u><u>757,177</u></u> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 May 2014.

  
R Lissner  
Director

The notes on pages 7 to 19 form part of these financial statements.



**GEE & CO (EFFLUENT CONTROL) LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
for the year ended 30 September 2013

|   | Note | 2013<br>£        | 2012<br>£     |
|---|------|------------------|---------------|
| Net cash flow from operating activities         | 20   | (17,874)         | 92,551        |
| Returns on investments and servicing of finance | 21   | (8,776)          | (13,353)      |
| Taxation  |      | 4,573            | 3,215         |
| Capital expenditure and financial investment    | 21   | (105,032)        | (42,685)      |
| <b>CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>   |      | <b>(127,109)</b> | <b>39,728</b> |
| Financing                                       | 21   | -                | (3,607)       |
| <b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>  |      | <b>(127,109)</b> | <b>36,121</b> |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT**  
for the year ended 30 September 2013

|  | 2013<br>£        | 2012<br>£        |
|--|------------------|------------------|
| (Decrease)/Increase in cash in the year                | (127,109)        | 36,121           |
| Cash outflow from decrease in debt and lease financing | -                | 3,607            |
| <b>MOVEMENT IN NET DEBT IN THE YEAR</b>                | <b>(127,109)</b> | <b>39,728</b>    |
| Net debt at 1 October 2012                             | (529,976)        | (569,704)        |
| <b>NET DEBT AT 30 SEPTEMBER 2013</b>                   | <b>(657,085)</b> | <b>(529,976)</b> |

The notes on pages 7 to 19 form part of these financial statements.

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## **GEE & CO (EFFLUENT CONTROL) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2013**

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#### **1. ACCOUNTING POLICIES**

##### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable accounting standards.

##### **1.2 BASIS OF CONSOLIDATION**

The financial statements consolidate the accounts of Gee & Co (Effluent Control) Limited and all of its subsidiary undertakings ('subsidiaries').

##### **1.3 TURNOVER**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### **1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

##### **1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                   |   |                      |
|-------------------|---|----------------------|
| Plant & machinery | - | 25% reducing balance |
| Motor vehicles    | - | 25% reducing balance |
| Office equipment  | - | 25% reducing balance |

##### **1.6 INVESTMENTS**

Investments in subsidiaries are valued at cost less provision for impairment.

##### **1.7 INVESTMENT PROPERTIES**

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

##### **1.8 OPERATING LEASES**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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## **GEE & CO (EFFLUENT CONTROL) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2013**

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#### **1. ACCOUNTING POLICIES (continued)**

##### **1.9 STOCKS AND WORK IN PROGRESS**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### **1.10 DEFERRED TAXATION**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **1.11 FOREIGN CURRENCIES**

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

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

#### **2. TURNOVER**

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

All turnover arose within the United Kingdom.

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**3. OTHER OPERATING INCOME**

|                      | 2013<br>£ | 2012<br>£ |
|----------------------|-----------|-----------|
| Net rents receivable | 12,792    | 8,610     |

**4. OPERATING PROFIT**

The operating profit is stated after charging:

|  | 2013<br>£ | 2012<br>£ |
|--|-----------|-----------|
| Amortisation - intangible fixed assets           | 50,000    | 50,000    |
| Depreciation of tangible fixed assets:           |           |           |
| - owned by the group                             | 45,780    | 30,239    |
| Operating lease rentals:                         |           |           |
| - other operating leases                         | 94,850    | 94,850    |
| Difference on foreign exchange                   | (28,956)  | (32,356)  |
| Research and development expenditure written off | 11,420    | 2,012     |

**5. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

|                       | 2013<br>£ | 2012<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | 2,092,767 | 1,849,768 |
| Social security costs | 203,270   | 188,049   |
|                       | 2,296,037 | 2,037,817 |

The average monthly number of employees, including the directors, during the year was as follows:

|                | 2013<br>No. | 2012<br>No. |
|----------------|-------------|-------------|
| Management     | 7           | 9           |
| Sales          | 10          | 9           |
| Administration | 7           | 7           |
| Contracts      | 13          | 10          |
| Production     | 40          | 37          |
|                | 77          | 72          |

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

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**6. DIRECTORS' REMUNERATION**

|              | 2013<br>£     | 2012<br>£     |
|--------------|---------------|---------------|
| Remuneration | <u>74,341</u> | <u>48,345</u> |

**7. INTEREST PAYABLE**

|   | 2013<br>£    | 2012<br>£     |
|---|--------------|---------------|
| On bank loans and overdrafts                  | 9,156        | 13,370        |
| On finance leases and hire purchase contracts | -            | 4             |
|   | <u>9,156</u> | <u>13,374</u> |

**8. TAXATION**

|  | 2013<br>£     | 2012<br>£    |
|--|---------------|--------------|
| <b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>        |               |              |
| <b>CURRENT TAX</b> (see note below)              |               |              |
| UK corporation tax charge on profit for the year | 2,634         | -            |
| <b>DEFERRED TAX</b> (see note 16)                |               |              |
| Origination and reversal of timing differences   | <u>40,910</u> | <u>8,737</u> |
| <b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>      | <u>43,544</u> | <u>8,737</u> |

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**8. TAXATION (continued)**

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2012 - *lower than*) the standard rate of corporation tax in the UK of 20% (2012 - 20%). The differences are explained below:

|  | 2013<br>£    | 2012<br>£ |
|--|--------------|-----------|
| Profit on ordinary activities before tax   | 195,451      | 28,087    |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%) | 39,090       | 5,617     |
| <b>EFFECTS OF:</b>   |              |           |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment                  | 101          | 2,252     |
| Capital allowances for year in excess of depreciation  | (1,477)      | (3,940)   |
| Utilisation of tax losses  | (35,080)     | (3,929)   |
| <b>CURRENT TAX CHARGE FOR THE YEAR (see note above)</b>  | <b>2,634</b> | <b>-</b>  |

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There are tax losses that may be offset against future profits of £2,491 (2012: £177,817).

**9. INTANGIBLE FIXED ASSETS**

|   | Goodwill<br>£ |
|---|---------------|
| <b>GROUP AND COMPANY</b>                |               |
| <b>COST</b>                             |               |
| At 1 October 2012 and 30 September 2013 | 500,000       |
| <b>AMORTISATION</b>                     |               |
| At 1 October 2012                       | 312,500       |
| Charge for the year                     | 50,000        |
| At 30 September 2013                    | 362,500       |
| <b>NET BOOK VALUE</b>                   |               |
| At 30 September 2013                    | 137,500       |
| At 30 September 2012                    | 187,500       |

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**10. TANGIBLE FIXED ASSETS**

|                          | Plant &<br>machinery<br>£ | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Total<br>£     |
|--------------------------|---------------------------|------------------------|--------------------------|----------------|
| <b>GROUP AND COMPANY</b> |                           |                        |                          |                |
| <b>COST OR VALUATION</b> |                           |                        |                          |                |
| At 1 October 2012        | 13,450                    | 289,323                | 146,845                  | 449,618        |
| Additions                | 6,750                     | 101,016                | -                        | 107,766        |
| Disposals                | -                         | (47,795)               | -                        | (47,795)       |
| At 30 September 2013     | <u>20,200</u>             | <u>342,544</u>         | <u>146,845</u>           | <u>509,589</u> |
| <b>DEPRECIATION</b>      |                           |                        |                          |                |
| At 1 October 2012        | 11,380                    | 179,256                | 132,189                  | 322,825        |
| Charge for the year      | 1,221                     | 40,895                 | 3,664                    | 45,780         |
| On disposals             | -                         | (40,274)               | -                        | (40,274)       |
| At 30 September 2013     | <u>12,601</u>             | <u>179,877</u>         | <u>135,853</u>           | <u>328,331</u> |
| <b>NET BOOK VALUE</b>    |                           |                        |                          |                |
| At 30 September 2013     | <u>7,599</u>              | <u>162,667</u>         | <u>10,992</u>            | <u>181,258</u> |
| At 30 September 2012     | <u>2,070</u>              | <u>110,067</u>         | <u>14,656</u>            | <u>126,793</u> |

**11. INVESTMENT PROPERTY**

|   | Freehold<br>investment<br>property<br>£ |
|---|---|
| <b>GROUP AND COMPANY</b>                      |   |
| <b>VALUATION</b>                              |   |
| At 1 October 2012 and 30 September 2013       | <u>355,000</u>                          |
| <b>COMPRISING</b>                             |   |
| Cost  | 285,086                                 |
| Annual revaluation surplus/(deficit):<br>2011 | <u>69,914</u>                           |
| At 30 September 2013                          | <u>355,000</u>                          |

The 2013 valuations were made by the directors, on an open market value for existing use basis.

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**12. FIXED ASSET INVESTMENTS**

| <b>COMPANY</b>                          | <b>Investments<br/>in<br/>subsidiary<br/>companies<br/>£</b> |
|---|--|
| <b>COST OR VALUATION</b>                |  |
| At 1 October 2012 and 30 September 2013 | 40,665   |
| <b>NET BOOK VALUE</b>                   |  |
| At 30 September 2013                    | 40,665   |
| At 30 September 2012                    | 40,665   |

Details of the principal subsidiaries can be found under note number 26.

**13. STOCKS**

|                  | <b>GROUP</b>     |                  | <b>COMPANY</b> |             |
|------------------|------------------|------------------|----------------|-------------|
|                  | <b>2013</b>      | <b>2012</b>      | <b>2013</b>    | <b>2012</b> |
|                  | <b>£</b>         | <b>£</b>         | <b>£</b>       | <b>£</b>    |
| Raw materials    | 232,174          | 189,700          | -              | -           |
| Work in progress | 1,630,658        | 1,538,520        | -              | -           |
|                  | <u>1,862,832</u> | <u>1,728,220</u> | <u>-</u>       | <u>-</u>    |

**14. DEBTORS**

|                                    | <b>GROUP</b>   |                | <b>COMPANY</b> |                |
|------------------------------------|----------------|----------------|----------------|----------------|
|                                    | <b>2013</b>    | <b>2012</b>    | <b>2013</b>    | <b>2012</b>    |
|                                    | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>       |
| Trade debtors                      | 751,406        | 491,560        | -              | -              |
| Amounts owed by group undertakings | -              | -              | 879,251        | 705,128        |
| Corporation tax                    | -              | 4,573          | -              | -              |
| Prepayments and accrued income     | 64,606         | 43,591         | -              | -              |
| Deferred tax asset (see note 16)   | 544            | 41,454         | 544            | 27,381         |
|                                    | <u>816,556</u> | <u>581,178</u> | <u>879,795</u> | <u>732,509</u> |



**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**15. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | <b>GROUP</b>     |                  | <b>COMPANY</b> |                |
|---|------------------|------------------|----------------|----------------|
|   | <b>2013</b>      | <b>2012</b>      | <b>2013</b>    | <b>2012</b>    |
|   | <b>£</b>         | <b>£</b>         | <b>£</b>       | <b>£</b>       |
| Bank loans and overdrafts                   | 660,256          | 531,056          | 660,256        | 531,056        |
| Trade creditors                             | 1,025,745        | 767,571          | -              | -              |
| Amounts owed to group undertakings          | -                | -                | 285            | 285            |
| Amounts owed to related party (see note 24) | 73,392           | 150,000          | 73,392         | 150,000        |
| Corporation tax                             | 2,634            | -                | 2,634          | -              |
| Other taxation and social security          | 194,951          | 280,736          | 5,779          | 5,029          |
| Other creditors                             | 373              | 331              | -              | -              |
| Accruals and deferred income                | 49,937           | 52,955           | 1,746          | -              |
|   | <b>2,007,288</b> | <b>1,782,649</b> | <b>744,092</b> | <b>686,370</b> |

There is an intercompany guarantee in place between Gee & Co (Effluent Control) Limited, Gee & Co (Effluent Control & Recovery) Limited and Gee & Co (Plastic Fabrications) Limited.

Amounts due under finances leases are secured on the assets to which they relate.

The bank holds a debenture dated 12 July 1993 over the assets of Gee & Co. (Effluent Control And Recovery) Limited and Gee & Co. (Plastic Fabrications) Limited.

The bank holds a debenture dated 25 July 1984 and a legal charge dated 25 October 2012 over the assets of Gee & Co. (Effluent Control) Limited.

Included within group other creditors is £373 (2012: £331) owed to the Group Stakeholder Pension Scheme.

**16. DEFERRED TAX ASSET**

|   | <b>GROUP</b> |               | <b>COMPANY</b> |               |
|---|--------------|---------------|----------------|---------------|
|   | <b>2013</b>  | <b>2012</b>   | <b>2013</b>    | <b>2012</b>   |
|   | <b>£</b>     | <b>£</b>      | <b>£</b>       | <b>£</b>      |
| At beginning of year                        | 41,454       | 50,191        | 27,381         | 22,396        |
| (Charge for)/released during the year (P&L) | (40,910)     | (8,737)       | (26,837)       | 4,985         |
| At end of year                              | <b>544</b>   | <b>41,454</b> | <b>544</b>     | <b>27,381</b> |

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**16. DEFERRED TAX ASSET (continued)**

The deferred tax asset is made up as follows:

|                                | <b>GROUP</b> |               | <b>COMPANY</b> |               |
|--------------------------------|--------------|---------------|----------------|---------------|
|                                | <b>2013</b>  | <b>2012</b>   | <b>2013</b>    | <b>2012</b>   |
|                                | <b>£</b>     | <b>£</b>      | <b>£</b>       | <b>£</b>      |
| Accelerated capital allowances | -            | 4,640         | -              | 4,640         |
| Tax losses brought forward     | 544          | 36,814        | 544            | 22,741        |
|                                | <b>544</b>   | <b>41,454</b> | <b>544</b>     | <b>27,381</b> |

**17. SHARE CAPITAL**

|   | <b>2013</b>    | <b>2012</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| <b>AUTHORISED</b>                         |                |                |
| 100,000 Ordinary shares of £1 each        | <b>100,000</b> | <b>100,000</b> |
| <b>ALLOTTED, CALLED UP AND FULLY PAID</b> |                |                |
| 18,333 Ordinary shares of £1 each         | <b>18,333</b>  | <b>18,333</b>  |

**18. RESERVES**

|                               | <b>Revaluation<br/>reserve</b> | <b>Other<br/>reserves</b> | <b>Profit and<br/>loss account</b> |
|-------------------------------|--------------------------------|---------------------------|------------------------------------|
|                               | <b>£</b>                       | <b>£</b>                  | <b>£</b>                           |
| <b>GROUP</b>                  |                                |                           |                                    |
| At 1 October 2012             | 69,914                         | 6,667                     | 1,082,241                          |
| Profit for the financial year | -                              | -                         | 148,625                            |
| At 30 September 2013          | <b>69,914</b>                  | <b>6,667</b>              | <b>1,230,866</b>                   |
| <b>COMPANY</b>                |                                |                           |                                    |
| At 1 October 2012             | 69,914                         | 6,667                     | 662,263                            |
| Profit for the financial year | -                              | -                         | 96,120                             |
| At 30 September 2013          | <b>69,914</b>                  | <b>6,667</b>              | <b>758,383</b>                     |

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

|                               | 2013<br>£        | 2012<br>£        |
|-------------------------------|------------------|------------------|
| <b>GROUP</b>                  |                  |                  |
| Opening shareholders' funds   | 1,177,155        | 1,158,136        |
| Profit for the financial year | 148,625          | 19,019           |
|                               | <u>1,325,780</u> | <u>1,177,155</u> |
| Closing shareholders' funds   | <u>1,325,780</u> | <u>1,177,155</u> |
|                               |                  |                  |
|                               | 2013<br>£        | 2012<br>£        |
| <b>COMPANY</b>                |                  |                  |
| Opening shareholders' funds   | 757,177          | 743,452          |
| Profit for the financial year | 96,120           | 13,725           |
|                               | <u>853,297</u>   | <u>757,177</u>   |
| Closing shareholders' funds   | <u>853,297</u>   | <u>757,177</u>   |

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account.

The profit for the year dealt with in the accounts of the company was £96,120 (2012 - £13,725).

**20. NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | 2013<br>£       | 2012<br>£     |
|--|-----------------|---------------|
| Operating profit   | 204,227         | 41,440        |
| Amortisation of intangible fixed assets                    | 50,000          | 50,000        |
| Depreciation of tangible fixed assets                      | 45,780          | 30,239        |
| Loss on disposal of tangible fixed assets                  | 4,787           | 10,961        |
| Increase in stocks   | (134,612)       | (484,541)     |
| (Increase)/decrease in debtors                             | (280,862)       | 327,740       |
| Increase in creditors                                      | 92,806          | 116,712       |
|  | <u>(17,874)</u> | <u>92,551</u> |
| <b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b> | <u>(17,874)</u> | <u>92,551</u> |

**GEE & CO (EFFLUENT CONTROL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2013

**21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

|  | 2013<br>£        | 2012<br>£       |
|--|------------------|-----------------|
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>                       |                  |                 |
| Interest received  | 380              | 21              |
| Interest paid  | (9,156)          | (13,370)        |
| Hire purchase interest   | -                | (4)             |
| <b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b> | <b>(8,776)</b>   | <b>(13,353)</b> |
|  | 2013<br>£        | 2012<br>£       |
| <b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>                          |                  |                 |
| Purchase of tangible fixed assets  | (107,766)        | (49,849)        |
| Sale of tangible fixed assets  | 2,734            | 7,164           |
| <b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>                             | <b>(105,032)</b> | <b>(42,685)</b> |
|  | 2013<br>£        | 2012<br>£       |
| <b>FINANCING</b>   |                  |                 |
| Repayment of finance leases  | -                | (3,607)         |

**22. ANALYSIS OF CHANGES IN NET DEBT**

|                          | 1 October<br>2012<br>£ | Cash flow<br>£   | Other<br>non-cash<br>changes<br>£ | 30 September<br>2013<br>£ |
|--------------------------|------------------------|------------------|-----------------------------------|---------------------------|
| Cash at bank and in hand | 1,080                  | 2,091            | -                                 | 3,171                     |
| Bank overdraft           | (531,056)              | (129,200)        | -                                 | (660,256)                 |
| <b>NET DEBT</b>          | <b>(529,976)</b>       | <b>(127,109)</b> | <b>-</b>                          | <b>(657,085)</b>          |

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2013**

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**23. OPERATING LEASE COMMITMENTS**

At 30 September 2013 the group had annual commitments under non-cancellable operating leases as follows:

|                         | <b>Land and buildings</b> |               |
|-------------------------|---------------------------|---------------|
|                         | <b>2013</b>               | <b>2012</b>   |
|                         | <b>£</b>                  | <b>£</b>      |
| <b>GROUP</b>            |                           |               |
| <b>EXPIRY DATE:</b>     |                           |               |
| After more than 5 years | <b>94,850</b>             | <b>94,850</b> |

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as follows:

|                         | <b>Land and buildings</b> |               |
|-------------------------|---------------------------|---------------|
|                         | <b>2013</b>               | <b>2012</b>   |
|                         | <b>£</b>                  | <b>£</b>      |
| <b>COMPANY</b>          |                           |               |
| <b>EXPIRY DATE:</b>     |                           |               |
| After more than 5 years | <b>94,850</b>             | <b>94,850</b> |

**24. RELATED PARTY TRANSACTIONS**

Details of investments in subsidiary companies are disclosed in note 26.

The group leases premises from and provided management services to a related company, Alldos (UK) Limited. The transactions carried out with this company during the year were as follows:

Rent charged to the group from Alldos (UK) Limited amounted to £94,850 (2012: £94,850).

Service charges invoiced to the group from Alldos (UK) Limited amounted to £120,000 (2012: £120,000).

Recharges in respect of project management services and costs incurred of £136,553 (2012: £127,497) and a management charge of £110,878 (2012: £30,000) were charged by the group to Alldos (UK) Limited.

The balances relating to this company that were outstanding at the year end are as follows:

- included in prepayments £12,523 (2012: £22,187 in prepayments) relating to service charges; and
- included in amounts owed to related party £73,392 (2012: £150,000).

The directors and shareholders, R Lissner and A G Couch are also directors and shareholders of the related company, each holding a 45% interest in the ordinary share capital of Alldos (UK) Limited.

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**GEE & CO (EFFLUENT CONTROL) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2013**

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**25. CONTROLLING PARTY**

There is no ultimate controlling party of the company.

**26. PRINCIPAL SUBSIDIARIES**

| <b>Company name</b>                            | <b>Country</b> | <b>Percentage<br/>Shareholding</b> | <b>Description</b>                               |
|--|----------------|------------------------------------|--|
| Gee & Co (Effluent Control & Recovery) Limited | UK             | 94                                 | Design and installation of trade effluent plants |
| Gee & Co (Packaging Systems) Limited           | UK             | 80                                 | Dormant  |
| Gee & Co (Chemical Dosing) Limited             | UK             | 100                                | Dormant  |
| Gee & Co (Plastic Fabrications) Limited        | UK             | 100                                | Dormant  |

All subsidiary company's detailed above are included within these consolidated accounts.