

Enviroflo Engineering Limited
REPORT AND FINANCIAL STATEMENTS
30 NOVEMBER 2014

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Enviroflo Engineering Limited
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

CONTENTS	PAGE
Officers and professional advisers	1
Strategic Report	2
The Directors' Report	3
Statement of Directors' Responsibilities	5
Independent auditors' report to the members	6
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10

Enviroflo Engineering Limited
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	C R Lee J Gamble (appointed 31 March 2014) J Smith (resigned 31 March 2014)
Company secretary	W Joyce
Registered office	Winnington Avenue Northwich Cheshire CW8 4DX
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 101 Barbirolli Square Lower Mosley Street Manchester M2 3PW
Bankers	HSBC Bank plc 100 King St Manchester M60 8HG
Solicitors	Eversheds 70 Great Bridgewater Street Manchester M1 5ES

Enviroflo Engineering Limited

STRATEGIC REPORT

YEAR ENDED 30 NOVEMBER 2014

The directors present the strategic report on the company for the year ended 30 November 2014.

Review of the business

The company did not actively trade during the year. 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.

Strategy

The company will continue to monitor its investment in subsidiaries through the following strategies:

- periodic review of subsidiary performance;

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks affecting the company are:

- adverse economic conditions in Europe affecting subsidiary performance

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



C R Lee
Director
30 June 2013

Enviroflo Engineering Limited

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2014

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 30 November 2014.

The Directors' Report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 "The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008".

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

A review of the business of the company and future developments is included in the Strategic Report.

The principal activity of the company was dust control contracting. The company is currently non trading.

FINANCIAL RISK MANAGEMENT POLICY

The company's principal financial instruments comprise cash and cash equivalents. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the company's operating activities. The main purpose of these financial assets is to provide finance for the company's ongoing operations.

The main risks associated with the company's financial assets and liabilities are interest rate risk, cashflow and liquidity risk, credit risk and currency risk as summarised below.

Interest rate risk

The company does not have any external debt. The company has lendings and borrowings 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.

Credit risk

The company's policy is to require assessments of customers such that deferred terms are only granted where an appropriate payment history is demonstrated and credit worthiness procedures are satisfied.

Cashflow and liquidity risk

The company's activities are financed from long terms loans from other group companies and cash. The company mitigates liquidity risk by managing cash generation from it operations.

A central treasury team operates at a European level, controlling all borrowing facilities, investment of surplus funds and the management of financial risks for the company and its fellow subsidiaries.

Currency risk

The company operates under a global policy to manage intercompany lendings and borrowings in foreign currencies. During the period, the currency exposure was reviewed but it was not deemed necessary to cover the currency exposure by any financial instruments.

Enviroflo Engineering Limited
THE DIRECTORS' REPORT (continued)
YEAR ENDED 30 NOVEMBER 2014

RESULTS AND DIVIDENDS

The profit for the financial period amounted to £18,000 (2013: loss of £66,000).

The directors have not recommended a dividend (2013: £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.

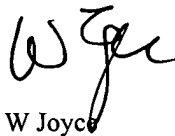
DISCLOSURE OF INFORMATION TO AUDITORS

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 by order of the directors



W Joyce

Company Secretary
30 June 2013

Enviroflo Engineering Limited
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 NOVEMBER 2014

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that 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.

Enviroflo Engineering Limited
Independent auditors' report to the members of Enviroflo Engineering Limited

Report on the financial statements

Our opinion

In our opinion, Enviroflo Engineering Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 November 2014 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.

What we have audited

Enviroflo Engineering Limited's financial statements comprise:

- the balance sheet as at 30 November 2014;
- the profit and loss account for the year 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 the preparation of the financial statements 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.

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 year 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.

Enviroflo Engineering Limited

Independent auditors' report to the members of Enviroflo Engineering Limited (continued)

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 set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("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.

What an audit of financial statements involves

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the report and financial statements 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.



Martin Heath (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Liverpool
30 June 2013

Enviroflo Engineering Limited
COMPANY NUMBER 1463262

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 2014

	Note	Year ended 2014 £000	11 months ended 2013 £000
Distribution costs		-	(82)
OPERATING RESULT/(LOSS)	2	-	(82)
Interest receivable and similar income	4	19	17
Interest payable and similar charges	5	(1)	(1)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		18	(66)
Tax on profit/(loss) on ordinary activities	6	-	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	14	18	(66)

The above represents the results from continuing operations in both the current and prior financial periods.

There is no material difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the current and prior financial periods stated above and the historical cost equivalents.

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

Enviroflo Engineering Limited
COMPANY NUMBER 1463262

BALANCE SHEET

30 NOVEMBER 2014

	Note	£000	2014 £000	2013 £000
FIXED ASSETS				
Intangible assets	7		-	-
Investments	8		251	251
			<u>251</u>	<u>251</u>
CURRENT ASSETS				
Debtors: amounts falling due within one year	9	745		812
Debtors: amounts falling due after more than one year	9	3,827		3,827
			<u>4,572</u>	<u>4,639</u>
Cash at bank and in hand			-	2
			<u>4,572</u>	<u>4,641</u>
CREDITORS: amounts falling due within one year	10		(17)	(104)
			<u>4,555</u>	<u>4,537</u>
NET CURRENT ASSETS				
			<u>4,555</u>	<u>4,537</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
			4,806	4,788
CREDITORS: amounts falling due after more than one year	11		(148)	(148)
			<u>4,658</u>	<u>4,640</u>
NET ASSETS				
			<u>4,658</u>	<u>4,640</u>
CAPITAL AND RESERVES				
Called up share capital	13		-	-
Share premium account	14		1,961	1,961
Other reserves	14		621	621
Profit and loss account	14		2,076	2,058
TOTAL SHAREHOLDERS' FUNDS	14		<u>4,658</u>	<u>4,640</u>

The financial statements on pages 8 to 18 were approved by the board of directors on 30 June 2013 and signed on their behalf by:



C R Lee
Director

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES

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

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.

Basis of consolidation

The company and all of its subsidiary undertakings are included in the consolidated financial statements of a larger group, Ecolab Inc, drawn up to the same date in the same financial period and those financial statements are drawn up in accordance with the provisions of the Seventh Directive (83/349/EEC) or in a manner equivalent to consolidated financial statements and consolidated annual reports so drawn up. Accordingly the company, in accordance with the exemption in s401 of the Companies Act, has not prepared consolidated financial statements. The financial statements therefore contain information about Enviroflo Engineering Limited as an individual company and not as a group.

Cash flow statement

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

Goodwill

Goodwill arising on the acquisition of businesses, representing any excess over fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over its useful economic life if it is deemed to be finite, or held at initial cost where the useful economic life is deemed to be infinite. In the case of goodwill with an infinite life, the carrying value of the goodwill is subject to an annual review for impairment. Where it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the Profit & Loss Account.

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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Fixed asset investments

Fixed asset investments are stated at cost less amounts written off for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Raw materials, consumables and goods for resale	-	purchase cost on a first-in, first-out basis.
Work in progress and finished goods	-	cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and sale.

Deferred taxation

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

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Turnover

Turnover comprises the value of sales of goods and services (excluding VAT and similar taxes and trade discounts) in the normal course of business.

Revenue is recognised when the substantial risks and rewards of goods have been transferred to customers.

2. OPERATING RESULT/(LOSS)

Operating result/(loss) is stated after charging:

	2014 £000	2013 £000
Operating lease rentals – land & buildings	-	5

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

3. PARTICULARS OF EMPLOYEES

The monthly average number of staff employed by the company during the financial period amounted to:

	2014 No	2013 No
Selling and administration	-	1

The aggregate payroll costs of the above were:

	2014 £000	2013 £000
Wages and salaries	-	46
Social security costs	-	5
Other pension costs	-	2
	-	53

No directors received any remuneration from the company during the period (2013 - £nil).

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014	2013
	£000	£000
Interest from group undertakings	<u>19</u>	<u>17</u>

Interest received from 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. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£000	£000
Interest payable to group undertakings	<u>1</u>	<u>1</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.

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014	2013
	£000	£000
Current tax:		
UK Taxation		
UK Corporation tax based on the profit/(loss) for the period at 21.67% (2013 – 23.27%)	<u>-</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the period is lower (2013: higher) than the standard effective rate of corporation tax in the UK of 21.67% (2013 – 23.27%).

	2014	2013
	£000	£000
Profit/(loss) on ordinary activities before taxation	<u>18</u>	<u>(66)</u>
Profit/(loss) on ordinary activities at standard effective rate of tax	<u>4</u>	<u>(15)</u>
Group relief	<u>(4)</u>	<u>15</u>
Total current tax charge (note 6(a))	<u>-</u>	<u>-</u>

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES *(continued)*

(c) Significant items affecting future years

The 2014 Budget on 20 March 2014 announced reductions to the UK corporation tax rate whereby the main rate of UK Corporation Tax was reduced to 21% from 1 April 2014 and to 20% per annum from 1 April 2015.

7. INTANGIBLE ASSETS

	Goodwill £000
COST	
At 1 December 2013 and 30 November 2014	<u>202</u>
AMOUNTS WRITTEN OFF	
At 1 December 2013 and 30 November 2014	<u>202</u>
NET BOOK VALUE	
At 30 November 2014	<u>-</u>
At 30 November 2013	<u>-</u>

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

8. INVESTMENTS

	£000
COST	
At 1 December 2013 and 30 November 2014	<u>1,797</u>
AMOUNTS WRITTEN OFF	
At 1 December 2013 and 30 November 2014	<u>1,546</u>
NET BOOK VALUE	
At 30 November 2014	<u>251</u>
At 30 November 2013	<u>251</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets and forecast cash generation.

The details of the investments in which the company holds more than 20% of the nominal value of any class of shares is as follows:

	Country of incorporation	Status	Holding (%)	Class of shares held
<i>Subsidiary undertakings:</i>				
Nalco Denmark AS	Denmark	Trading	100	Ordinary
Hydrosan Limited	UK	Non-trading	100	Ordinary
Houseman Limited	UK	Non-trading	100	Ordinary

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

9. DEBTORS

	2014 £000	2013 £000
Amounts owed by group undertakings	4,563	4,631
Other debtors	9	8
	<u>4,572</u>	<u>4,639</u>

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

The debtors above include the following amounts falling due after more than one year:

	2014 £000	2013 £000
Amounts owed by group undertakings	<u>3,827</u>	<u>3,827</u>

Amounts owed by group undertakings are unsecured, accrue interest at a variable rate based on the Bank of England base rate and mature in 2-5 years.

10. CREDITORS: Amounts falling due within one year

	2014 £000	2013 £000
Amounts owed to group undertakings	14	13
Taxation and social security	2	2
Accruals and deferred income	1	89
	<u>17</u>	<u>104</u>

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

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

11. CREDITORS: Amounts falling due after more than one year

	2014 £000	2013 £000
Amounts owed to group undertakings	<u>148</u>	<u>148</u>

Amounts owed to group undertakings due within one year include loans which are unsecured, accrue interest at a variable rate calculated based on the Bank of England base rate and mature in 2-5 years.

12. 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.

13. CALLED UP SHARE CAPITAL

Authorised share capital:

	2014 £000	2013 £000
102 (2013: 102) Ordinary shares of £1 each	<u>-</u>	<u>-</u>

Allotted, called up and fully paid:

	2014 No	£000	2013 No	£000
Ordinary shares of £1 each	<u>102</u>	<u>-</u>	<u>102</u>	<u>-</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share premium account £000	Other reserves £000	Profit and loss account £000	Total share- holders' funds £000
At 1 December 2013	1,961	621	2,058	4,640
Profit for the financial year	<u>-</u>	<u>-</u>	<u>18</u>	<u>18</u>
At 30 November 2014	<u>1,961</u>	<u>621</u>	<u>2,076</u>	<u>4,658</u>

Enviroflo Engineering Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2014

15. 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 Holdings UK Limited is the parent company of the smallest group of which the company is a member.